



FORCE

51st Annual Report
2009-10



New Advanced Training Centre Inaugurated at Akurdi

दम है बॉस!



दमदार जोड़ी!

TRUMP 15
TRUMP 40

शक्ति ज्यादा: दमदार इंजन
कमाए ज्यादा: अधिक व्यवसाय
उठाए ज्यादा: बेहतर लोडिंग एरिया
बचाए ज्यादा: बेहतर माईलेज और कम रखरखाव

Bollywood Superstar Salman Khan & Brother Sohail Khan promoting 'TRUMP'

BOARD OF DIRECTORS

Mr. Abhay Firodia, Chairman

Mr. Prasan Firodia, Managing Director

Mr. S. N. Inamdar

Mr. Bharat V. Patel

Mr. Pratap Pawar

Mrs. Anita Ramachandran

Mr. S. Padmanabhan

Mr. L. Lakshman

Mr. Sudhir Mehta

Mr. Vinay Kothari

Mr. Atul Chordia

Mr. S. A. Gundecha

Mr. R. B. Bhandari

Auditors :

M/s. P. G. Bhagwat
Chartered Accountants,
Pune.

Cost Auditors :

M/s. Joshi Apte & Associates
Cost Accountants,
Pune.

Registered Office :

Mumbai-Pune Road,
Akurdi, Pune - 411 035.

Works :

- (i) Mumbai-Pune Road,
Akurdi, Pune - 411 035.
- (ii) Pithampur,
District Dhar - 454 775.

I N D E X

1. Notice of Annual General Meeting	2 - 3
2. Directors' Report	4 - 5
3. Management Discussion & Analysis	6 - 7
4. Report on Corporate Governance	8 - 13
5. Auditor's Certificate on Corporate Governance	14
6. Auditor's Report with Annexure	15 - 17
7. Balance Sheet	18
8. Profit & Loss Account	19
9. Schedules & Notes to Accounts	20 - 36
10. Balance Sheet Abstract	37 - 38
11. Cash Flow Statement	39

NOTICE

Notice is hereby given that the 51st Annual General Meeting of the Members of Force Motors Limited will be held on **Saturday, the 25th day of September, 2010 at 11.30 a.m.**, at the Registered Office of the Company at Mumbai-Pune Road, Akurdi, Pune – 411 035 to transact the following business: -

ORDINARY BUSINESS

- 1) To consider and adopt Audited Balance Sheet and Profit & Loss Account for the year ended on 31st March, 2010 together with the Directors' Report and Auditors' Report thereon.
- 2) To declare a dividend.
- 3) To appoint a Director in place of Mrs. Anita Ramachandran, who retires by rotation and being eligible, offers herself for reappointment.
- 4) To appoint a Director in place of Mr. R. B. Bhandari, who retires by rotation and being eligible, offers himself for reappointment.
- 5) To appoint a Director in place of Mr. Sudhir Mehta, who retires by rotation and being eligible, offers himself for reappointment.
- 6) To appoint a Director in place of Mr. S. A. Gundecha, who retires by rotation and being eligible, offers himself for reappointment.
- 7) To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

- 8) To appoint Mr. Abhay Firodia as a Director of the Company. Mr. Abhay Firodia was appointed as an Additional Director of the Company w.e.f. 6th November, 2009. As per the provisions of Section 260 of the Companies Act, 1956, he holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice, in writing, from a member proposing his candidature for the Office of Director and signifying intention to move the following resolution as an Ordinary Resolution: -

“RESOLVED that Mr. Abhay Firodia be and is hereby appointed as a Director of the Company.”

- 9) To appoint Mr. Atul Chordia as a Director of the Company. Mr. Atul Chordia was appointed as an Additional Director of the Company w.e.f. 23rd January, 2010. As per the provisions of Section 260 of the Companies Act, 1956, he holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice, in writing, from a member proposing his candidature for the Office of Director and signifying intention to move the following resolution as an Ordinary Resolution: -

“RESOLVED that Mr. Atul Chordia be and is hereby appointed as a Director of the Company.”

NOTES

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE SAID MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) The Explanatory Statement setting out the material facts concerning the Special Business as mentioned at Item Nos. 8 and 9 of the Notice, as required by Section 173 of the Companies Act, 1956, is annexed hereto.
- 3) The requisite information about the Directors retiring by rotation is included in the Report on Corporate Governance.
- 4) The Register of Members and Share Transfer Books of the Company will be closed from Thursday, the 23rd day of September, 2010 to Saturday, the 25th day of September, 2010 (both days inclusive) for the purpose of ascertaining entitlement to the dividend that may be declared at the ensuing Annual General Meeting.
- 5) The payment of dividend, if declared, at the ensuing Annual General Meeting will be made after Saturday, the 25th day of September, 2010 to those members holding shares in physical form and whose names appear in the Register of Members of the Company on Saturday, 25th day of September, 2010, and who hold shares of the Company in dematerialized form and whose name is entered as a beneficial owner in the records of the Depositories on that date.
- 6) Members holding shares in physical form are requested to intimate immediately any change in their address / details of their bank account / details for transfer of dividend, if declared, through Electronic Clearance Service (ECS) before 20th September, 2010. These details may kindly be intimated to the Company at the Registered Office or to the Registrar & Share Transfer Agents of the Company, Link Intime India Private Limited, address-Block no. 202, 2nd floor, Akshay Complex, Near Ganesh Temple, Off. Dhole Patil Road, Pune – 411 001.

Members holding shares in dematerialised form shall address communication to their respective Depository Participants.
- 7) **Members desirous of obtaining any information concerning the accounts or operations of the Company are requested to address their questions to the Assistant Company Secretary of the Company, so as to reach at least 15 days before the date of the meeting so that the information required may be made available at the meeting.**
- 8) Equity shares of the Company are listed on Pune Stock Exchange Limited, Shivleela Chambers, 752, Sadashiv Peth, R.B. Kumthekar Marg, Pune – 411 030 and Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. The Company has paid the annual listing fees to each of the Stock Exchanges.

9) Members are requested to note that pursuant to the provisions of Section 205C of the Companies Act, 1956 the dividend remaining unclaimed/unpaid for a period of seven years from the date it became due for payment shall be credited to the Investor Education and Protection Fund (Fund) set up by the Central Government. Members who have so far not claimed the dividend that was declared for the financial year 2002-2003 or thereafter are requested to make claim with the Company immediately, as no claim shall lie

against the Fund or the Company in respect of amount once credited to the said Fund.

By Order of the Board of Directors
For **FORCE MOTORS LIMITED**

Pune - 411 035.
24th July, 2010.

RUCHI AGARWAL
Asst. Co. Secretary

Explanatory Statement as required by Section 173 (2) of the Companies Act, 1956

Item No.8

In exercise of the powers vested by Article 115 of the Articles of Association of the Company, the Board of Directors of your Company appointed Mr. Abhay Firodia as an Additional Director w.e.f. 6th November, 2009.

As per the provisions of Section 260 of the Companies Act, 1956, Mr. Abhay Firodia holds office till the date of ensuing Annual General Meeting. The Company has received a notice from a member proposing the candidature of Mr. Abhay Firodia for the office of Director.

Mr. Abhay Firodia, 65 years, is B.A. (Hons) and is bestowed with the honorary degree of "Doctor of Science" by Rajiv Gandhi Proudyogiki Vishwavidyalaya (State Technological University), Madhya Pradesh. Mr. Firodia was awarded the "Commercial Vehicle Man of the Year" by CV Magazine in March, 2010.

Mr. Firodia has an experience of business management of over 42 years and was leading the Company as the Managing Director for over 20 years. Mr. Abhay Firodia has been associated with various industry / Commerce bodies such as Society of Indian Automobiles Manufacturers (SIAM), Indo-German Chamber of Commerce, National Council of Confederation of Indian Industry, Association of Indian Automobile Manufacturers, Automotive Research Association of India, Mahratta Chamber of Commerce & Industries, Automotive Components Manufacturers Association as their President/ Committee- Member / Member.

The requisite information required to be provided, as per the provisions of Clause 49 of the Listing Agreement, in case of appointment of Mr. Abhay Firodia is included in the Report on Corporate Governance.

Mr. Prasan Firodia, Managing Director of the Company, is the son of Mr. Abhay Firodia. Except Mr. Abhay Firodia and Mr. Prasan Firodia, none of the other Directors of the Company is interested in the business mentioned at Item No.8.

Item No.9

In exercise of the powers vested by Article 115 of the Articles of Association of the Company, the Board of Directors of your Company appointed Mr. Atul Chordia as an Additional Director w.e.f. 23rd January, 2010.

As per the provisions of Section 260 of the Companies Act, 1956, Mr. Atul Chordia holds office till the date of ensuing Annual General Meeting. The Company has received a notice from a member proposing the candidature of Mr. Atul Chordia for the office of Director.

Mr. Atul Chordia, 45 years, holds a Bachelor's Degree in Commerce. Mr. Atul Chordia has a wide experience as an entrepreneur. He is associated with several projects connected with construction, hospitality, infrastructure. He acts as a director of several companies involved in these activities.

The requisite information required to be provided, as per the provisions of Clause 49 of the Listing Agreement, in case of appointment of Mr. Atul Chordia is included in the Report on Corporate Governance.

None of the Directors of the Company, except Mr. Atul Chordia, is interested in the business mentioned at Item No.9.

By Order of the Board of Directors
For **FORCE MOTORS LIMITED**

Pune - 411 035.
24th July, 2010.

RUCHI AGARWAL
Asst. Co. Secretary

DIRECTORS' REPORT

To

The Members,

The Directors present the 51st Annual Report, together with the audited accounts for the financial year ended on 31st March, 2010.

1. Financial Results

	2009-10 (Rs.)	2008-09 (Rs.)
Gross Sales	1075,32,09,626	865,28,30,698
Other Income	96,30,68,334	366,93,53,355
Gross Profit	84,88,03,627	231,93,99,520
Depreciation	41,99,55,157	41,82,56,236
Provision for Taxes (net)	(17,53,77,456)	65,55,13,246
Profit After Tax	60,42,25,926	124,56,30,038
Proposed Dividend	3,95,28,786	--
Provision for Tax on Distributed Profit	67,19,894	--
Transfer to General Reserve	6,04,22,593	--
Balance in Profit & Loss Account Carried Forward	138,50,23,735	88,74,69,082

The gross sales for the year under report increased to Rs. 1075.32 crores against the previous year's sale of Rs. 865.28 crores representing a significant growth of 24.27%.

2. Dividend

The Board of Directors recommended a dividend of Rs. 3 per share on 1,31,76,262 equity shares of Rs. 10 each fully paid up.

3. Name Change

As reported earlier, the litigation about name change is still pending before the Hon'ble High Court of Judicature at Mumbai.

4. Market Situation

In view of the provisions of the Listing Agreement, the Market Situation and Status of Operations are dealt with in the "Management Discussion & Analysis" attached hereto.

5. Exports

The export turnover for the year under report was Rs. 26.96 crores against the previous year's export of Rs. 30.08 crores.

6. Research & Development

The expenditure on Research & Development for new products, including the expenditure on Projects and Tool Engineering, was 2.92% of the operational turnover of the Company. The Company has maintained its emphasis on research, development and tool engineering activities.

7. Foreign Collaborations

During the year under report the discussions, with ZF Friedrichshafen AG (ZF), in respect of return of licenses terminated without any change in the existing licensing arrangement in respect of 9-Speed Gear Box (E-21 9S-1110) and 6-Speed Gear Box (6S-850). This termination has resulted in retention of a sum of ₹ 3,000,000 by the Company, out of the advance received from ZF.

The Company continues to have the benefit of technical assistance from Dr.Rolf Bacher, Germany. The Company also obtained technical consultancy from Mercedes Benz Project Consultation GmbH, Germany and MB Technology GmbH, Germany, for ongoing technical developments.

8. Industrial Relations

The litigation connected with recognition of labour union at the Company's Akurdi, Pune Plant is still pending before the Hon'ble Supreme Court of India. The industrial relations at the Pithampur Plant continued to be cordial. The Company signed a Wage Settlement for the workmen employed at Pithampur. This new settlement shall remain in force upto 31st March, 2013.

9. Foreign Exchange

The foreign exchange outgo arising out of the import of raw materials components and capital goods is as per the details mentioned in the Notes to Accounts.

10. Environment and Conservation of Energy

Several steps to save energy and natural resources like water are being taken so as to achieve energy saving and cost reductions.

11. Fixed Deposits

83 deposits amounting to Rs. 34,88,000 matured for repayment on or before 31st March, 2010 but remained unclaimed on that date. Out of these, 39 deposits amounting to Rs. 21,75,000 have since been repaid/renewed.

12. Orders for Machinery

Since the close of the Accounting Year the Company has placed orders for new machinery, equipment and other capital assets of value of Rs. 21.39 crores.

13. Directors

Mr. Abhay Firodia resigned from the Managing Directorship of the Company w.e.f. 5th November, 2009, after serving the Company as Managing Director over a period of over 22 years. Mr. Firodia kindly agreed to continue to guide the Company to achieve smooth transition.

The Board in its meeting held on 24th October, 2009 appointed Mr. Prasan Firodia as the Managing Director of the Company w.e.f. 6th November, 2009.

The Members of the Company in their Extraordinary General Meeting held on 16th January, 2010 approved the appointment of Mr. Prasan Firodia as the Managing Director of the Company for a period of five years and also approved the remuneration to be paid to him as the Managing Director. Mr. Prasan Firodia is also the Managing Director of Jaya Hind Industries Limited.

The Board of Directors in its meeting held on 24th October, 2009 and 23rd January, 2010 appointed Mr. Abhay Firodia and Mr. Atul Chordia, respectively, as Additional Directors of the Company. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Abhay Firodia and Mr. Atul Chordia hold office till the conclusion of ensuing Annual General Meeting. The Company has received notice proposing candidature of Mr. Firodia and Mr. Chordia for the directorship of the Company.

Mrs. Anita Ramachandran, Mr. R. B. Bhandari, Mr. Sudhir Mehta, and Mr. S. A. Gundecha Directors of the Company, retire by rotation and being eligible offer themselves for reappointment.

14. Audit Committee

The Board in its meeting held on 23rd January, 2010, reconstituted Audit Committee. Now, Mr. Vinay Kothari, Mr. Pratap Pawar, Mr. S. Padmanabhan, Independent Directors, and Mr. S. A. Gundecha, Non-Executive Director, are the Members of the Audit Committee.

15. Corporate Governance

The Company has taken all necessary steps to implement the provisions of Listing Agreement and a detailed report on the various issues, including the Auditor's Report on Corporate Governance are attached to this Report.

16. Directors' Responsibility Statement

As required by sub-section 2AA of Section 217 of the Companies Act, 1956, the Directors state that –

- (a) in the preparation of Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

- (b) the Directors have selected such accounting policies and applied them consistently and made judgements 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/loss of the Company for that period;
- (c) the 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;
- (d) the Annual Accounts are prepared on a going concern basis.

17. Other

Under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of employees are set out in the annexure to the Directors' Report. However, in terms of the provisions of Section 219(1) (b) (iv) of the Companies Act, 1956, the Directors' Report is being sent to all the Members of the Company excluding the aforesaid annexure. The Members interested in obtaining a copy of the said annexure may write to the Company at the Registered Office of the Company. The Company had 8 employees who were in receipt of remuneration exceeding Rs. 2,00,000 per month and employed throughout the financial year and 13 employees who were in receipt of remuneration exceeding Rs. 2,00,000 per month and employed for part of the financial year.

18. You are requested to appoint Auditors for the current year and fix their remuneration. M/s. P.G. Bhagwat, Chartered Accountants, Pune, Auditors to the Company, who retire at the ensuing Annual General Meeting, are eligible for reappointment.
19. The Central Government has directed to conduct audit of the cost records of the Financial Year 2009-10 and accordingly M/s. Dhananjay V. Joshi & Co., Cost Accountants, Pune, were appointed as the Cost Auditors, for that year. The Cost Audit Report is under preparation.
20. The Directors express their grateful thanks to the Dealers, Suppliers and Banks for their support, and express their warm appreciation of the sincere co-operation and dedicated work by a majority of the employees of the Company.

For and on behalf of the Board of Directors

Pune - 411 035.
24th July, 2010.


ABHAY FIRODIA
 Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

I. INDUSTRY STRUCTURE AND DEVELOPMENTS

During the Financial Year 2009-10 the Country achieved significant growth in all segments of the economy. The Automobile Industry witnessed one of the best growth years. The Commercial Vehicle Segment of the market achieved 31% growth over the previous year 2008-09. The complexion of the market continued to change, with the process of substitution of 3-Wheeled Small Commercial Vehicles by the larger 4-Wheelers. This segment of 1 ton 4-Wheelers evidenced major growth. Demand for Tractors also witnessed a growth. The Government's efforts to boost economic growth by stimulus, including reduced rate of taxes proved to be the major contributor for this expansion in demand.

II. PERFORMANCE OF THE COMPANY

During the year under report the Company achieved higher turnover and sold 12,809 numbers of Light Commercial Vehicles, (including Small Commercial Vehicles), 7,176 numbers of Multi Utility Vehicles and 612 numbers of Tractors and thus achieved a growth of 27.57% in the sales turnover, which stood at Rs. 955.55 crores compared to the previous year's sales turnover of Rs. 749.06 crores.

The face lifted and re-engineered Traveller Range of Vehicles was well received by the market.

In spite of stepmotherly treatment meted out to Multi Utility Vehicles for taxation, these types of vehicles being customer friendly and perfectly suited for public transport witnessed some growth, inspite of adverse taxation. These vehicles are sold as people carriers – much appreciated in rural areas, for their spacious interiors and rugged reliability. The Company, as stated above, could achieve sale of 7,176 numbers of TRAX Vehicles.

The Company introduced new models of Small Commercial Vehicles having carrying capacity both below and above 1 ton, with the brand "TRUMP". The new offerings - TRUMP 15 and TRUMP 40 - received good response from the market and the Company could sell over 2,800 numbers of these vehicles in this introductory phase.

The Company has developed a completely new platform for the SUV segment. The new CRDI TD-22 engine based on the OM611 and the matching G-32 gearbox, both licensed by Daimler A.G. are integrated into this. The body, interiors and features offered are in the category of high quality SUVs. The prototype of these vehicles are under testing. The Company proposes to introduce this product before end of 2010-11.

In order to exploit the industrial land owned by the Company at Chakan, during the year under report the Company entered into a lease agreement with a leading capital goods manufacturing company, granting about two and a half hectares of the land, with building, on lease for ten years.

The Company retained services of M/s KPMG for management consultancy on "Project Management" as also on "Strategy Execution & Performance Management".

III. HEAVY COMMERCIAL VEHICLES AND JOINT VENTURE OF THE COMPANY - MAN FORCE TRUCKS PRIVATE LIMITED

As reported earlier, the Company's joint venture with MAN Nutzfahrzeuge AG, Germany, i.e. MAN FORCE Trucks Private Limited (MFTPL), manufacturers of Heavy Commercial Vehicles became a 50:50 joint venture.

Exports : Exports in large quantities was a cornerstone for formation of JV with MAN. However, the export of Heavy Commercial Vehicles has not yet reached the expected and planned levels, as originally envisaged by the Joint Venture Partners.

Tipplers : MFTPL's development efforts for offering power moderated "Tipplers" for mining and construction industries are a success. The power optimized new tipplers 25.220, 16.220 also 31.280, are very well accepted by the market. The sale of these products assisted MFTPL to achieve a turnover of Rs. 409.34 crores for the year 2009-10 compared to Rs. 166.29 crores for the year 2008-09. The sale of these new products significantly contributed to this improvement.

Haulage Trucks : The development efforts at the JV, to offer optimized vehicles with "low power density" and cost effective cabins, and cowl, for the Indian haulage market, has also not yet resulted into introduction of such a range of vehicles during the year under report. The Company is in continuous discussions with the Joint Venture Partner, to realign the product mix etc. to improve the performance of MFTPL.

The Company's Research & Development Department is continuously assisting the JV – MFTPL, to develop suitable offerings for this major segment of the Heavy Commercial Vehicle Market.

IV. OPPORTUNITIES, THREATS AND RISK FACTORS

Though the automobile industry as a whole and particularly the commercial vehicles segment of this industry is growing continuously, the risk arising out of price increase of basic raw materials and fuel, also the possibility of hardening of interest rates could be a threat.

Deregulation of passenger transportation, development of roads, infrastructure and Government's spending on modernization of urban transportation facilities may offer an opportunity to increase sales of passenger carrying commercial vehicles and Multi Utility Vehicles. The Company is making all efforts to increase the production capability and capacities, so as to gain from this opportunity.

V. FINANCIAL PERFORMANCE

As stated above, the Company sold 20,594 numbers of vehicles during the financial year 2009-10 compared to 17,173 vehicles in the previous year 2008-09. However the proportion of LCVs & UVs has increased in relation to the SCV (Small Commercial Vehicles) like the Minidor.

The Profit before Interest and Tax, from operations, excluding the exceptional items, was Rs. 38.76 crores compared to operating loss for the previous year 2008-09 amounting to Rs. 80.97 crores.

Two exceptional items of income resulted in a gain of Rs.21.66 crores. This gain arose from sale of shares and revision in technology arrangements.

The net profit of the Company after interest, depreciation, tax and after considering the exceptional items, was Rs. 60.42 crores for the year 2009-10 as compared to Rs. 124.56 crores for the year 2008-09 in which year though the exceptional item/gain was higher at Rs. 306.30 crores.

Considering the improved operating performance of the Company, the Board of Directors of the Company has recommended a dividend of Rs. 3.00 per share on 1,31,76,262 equity shares of Rs. 10 each for the consideration of the Members.

As per the applicable legal provisions, a sum of Rs. 6,04,22,593 is transferred to the General Reserve Account. The Reserves & Surplus of the Company as on 31st March, 2010 stood at Rs. 270,13,73,449.

VI. INTERNAL CONTROL SYSTEMS

As reported earlier, the internal controls are structured at three different levels.

The first level being – the 'Internal Audit Department' which exercises internal control over each type of Expenditure. The second level employs the services of an 'External Auditors Firm', to audit the processes and activities of key functions in the organization such as the materials and personnel functions. The 'Statutory Auditors' operate at the apex, third level. In the opinion of the Board of Directors, these systems are adequate considering the size and nature of the Company's business.

VII. HUMAN RESOURCE DEVELOPMENT

Human Resource Development activity is greatly strengthened by a comprehensive initiative. A new Training Centre has been commissioned. Training initiative at the Head Office, at both plants and also for the field force comprising of Company's employees as also the employees of Company's dealers - has been greatly emphasized. Management bandwidth improvement at senior and middle management levels is carried out.

VIII. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand / supply and price conditions in the markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

REPORT ON CORPORATE GOVERNANCE

STATEMENT ON COMPANY'S PHILOSOPHY & CODE OF GOVERNANCE

- The Company's decision making process and operational methods are guided by the philosophy of "creating low cost, hi-tech products, which are suitable for Indian markets." Simplicity, self-reliance, social responsibility, trust and transparency in dealings with all stakeholders, the edifice on which this business was started by Late Mr. N. K. Firodia, the founder of the Company, continues to be the guiding principles for the Organization, in arranging the activities. The Company's philosophy on the 'Code of Governance' is based on compliance of applicable provisions and requires exchange of relevant information and appropriate disclosures to each group of stakeholders, connected with the area of common interest / stake between the Company and the stakeholder.

BOARD OF DIRECTORS

- The Board of Directors of the Company (as of 31st March, 2010) ('the Board' for brevity) consisted of 13 Directors. 12 Directors were Non-Executive Directors and only 1 Director was Executive Director. 8 Directors were Independent Directors.

The Company's Board did not consist of any Nominee Directors appointed by lenders or other investor.

Mr. Abhay Firodia, Chairman and Mr. Prasan Firodia, Managing Director of the Company represent promoters of the Company.

- The details of other directorships of the Directors (as of 31st March, 2010) of the Company are as under: -

Name of the Director	Number of Companies in which Directorships held*	Number of Companies of which Chairman
Mr. Abhay Firodia	10	1
Mr. Prasan Firodia	3	--
Mr. S. N. Inamdar	12	1
Mr. Bharat V. Patel	4	--
Mr. Pratap Pawar	17	2
Mrs. Anita Ramachandran	8	--
Mr. S. Padmanabhan	14	--
Mr. L. Lakshman	9	1
Mr. Sudhir Mehta	4	1
Mr. Vinay Kothari	4	--
Mr. Atul Chordia	35	14
Mr. S. A. Gundecha	4	--
Mr. R. B. Bhandari	1	--

* includes directorship in private companies.

- The details of Committee positions held by the Directors of the Company in other Companies are as under: -

Name of the Director	Number of Audit Committee Memberships	Number of Remuneration Committee Memberships	Number of Shareholders' Grievance Committee Memberships	Number of Chairmanships
Mr. S. N. Inamdar	5	4	1	7
Mr. Bharat V. Patel	1	1	2	--
Mr. Pratap Pawar	2	1	2	3
Mrs. Anita Ramachandran	3	--	--	--
Mr. S. Padmanabhan	5	2	1	--
Mr. L. Lakshman	5	--	4	5

- During the Financial Year 2009-10, seven meetings of the Board were held on 25th April, 2009, 27th June, 2009, 27th July, 2009, 26th September, 2009, 24th October, 2009, 2nd January, 2010 and 23rd January, 2010. The attendance of Directors during the Financial Year 2009-10 for Board Meetings and General Meeting are as under: -

Name of the Director	Number of Board Meetings attended	Whether present at Annual General Meeting
Mr. Abhay Firodia	6	Yes
Mr. Prasan Firodia	7	Yes
Mr. S. N. Inamdar	6	Yes
Mr. Bharat V. Patel	4	No
Mr. Pratap Pawar	6	Yes
Mrs. Anita Ramachandran	3	Yes
Mr. S. Padmanabhan	4	No
Mr. L. Lakshman	5	Yes
Mr. Sudhir Mehta	5	Yes
Mr. Vinay Kothari	7	Yes
Mr. Atul Chordia #	--	--
Mr. S. A. Gundecha	7	Yes
Mr. R. B. Bhandari	7	Yes

Appointed as Additional Director w.e.f. 23rd January, 2010.

- The Board is presented with all the relevant information in various matters affecting the working of the Company and which requires deliberation at the highest level. Besides key operational and financial information, the Board is presented with information relevant to strategy formulation, for deliberations. This includes information as per annexure to Clause 49 of the Listing Agreement. At each meeting, the Chairman or the Managing Director presents an elaborate report on the operations of the Company, including an assessment of the market, operational issues and operating profitability. Also presented are assessments of the strategic and technological issues enabling a discussion on the strategy, projects and tactics employed in the management of the Company's affairs.