



GOVIND RUBBER LIMITED

20TH ANNUAL REPORT 2004 - 2005

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REGISTERED OFFICE

G-15, 'Creative',
72, N.M. Joshi Marg, Lower Parel, Mumbai - 400 011.

WORKS

- V.P.O. Jugiana, G.T. Road, Ludhiana, Punjab-141 120.
- Kanganwal Road, V.P.O. Jugiana, G.T. Road,
Ludhiana, Punjab-141 120.

BOARD OF DIRECTORS :

MR. VINOD PODDAR	Managing Director
MR. K.M. GARG	Director
MR. SANDEEP JHUNJHUNWALA	Director
MR. MADHUSUDAN LOHIA	Director
MS. ANUPAMA RANADE	Nominee - ICICI

COMPANY SECRETARY

MR. RAMESH S. CHAMADIA

AUDITORS

M/s. JAYANTILAL THAKKAR & CO.
Chartered Accountants

BANKERS

CENTRAL BANK OF INDIA
STATE BANK OF INDIA
BANK OF BARODA
INDIAN OVERSEAS BANK



GOVIND RUBBER LIMITED

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of Govind Rubber Limited will be held on Monday, the 5th September, 2005 at 10.30 a.m. at Nehru Centre, Hall of Harmony, Dr. Annie Besant Road, Worli, Mumbai – 400 018 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2005 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Sandeep Jhunjhunwala who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Madhusudan Lohia who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.

RESOLVED THAT in partial modifications of Resolution No.9 passed at the Annual General Meeting of the Company held on 29th September, 2003 for the reappointment and terms of remuneration of Shri Vinod Poddar, Managing Director of the Company and in accordance with the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, and the laws prevailing for the time being in force, the Company hereby approves the revision in Salary (inclusive of all benefits & perquisites) payable to Shri Vinod Poddar (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year) as recommended by the Board of Directors with effect from 1st August, 2005 for the remaining period of his term (i.e. upto 31st July, 2008) as set out in the Draft Supplemental Agreement submitted to this Meeting and initialed by a Director for the purpose of identification, which Draft Supplemental Agreement is hereby specifically sanctioned.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary such revised terms and conditions in accordance with the laws from time to time in force as may be agreed to by the Company and acceptable to Shri Vinod Poddar.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to Section 293 (1) (a) and other applicable provisions, if any of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors for creation / modification of charge on whole of the immovable and movable properties of the Company present and future pertaining to its unit situated at B-37, Phase-IV, Focal Point, Ludhiana (Punjab) and whole of the undertakings pertaining to said Unit in such form and manner and on such terms and conditions as approved by the Corporate Debt Restructuring Cell in favour of ICICI Bank Limited, Industrial Development Bank of India Limited, IFCI Limited, Central Bank of India, Bank of Baroda, State Bank of India and Indian Overseas Bank for various term loans, working capital facilities, etc. granted by them to the Company.

FURTHER RESOLVED THAT Shri Vinod Poddar, Managing Director and / or Shri Ramesh Chamadia, Company Secretary of the Company be and are hereby authorized severally to do all such acts, deeds, matters and things as may be necessary for implementing the above resolution.

By order of the Board of Directors

VINOD PODDAR
Managing Director

Place: Mumbai
Date: 25.06.2005

NOTES :

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

The Explanatory Statement pursuant to Section 173(2) of the Company's Act, 1956 in respect of the special business as set out in Item Nos.5 & 6 of the Notice is annexed hereto. The Company has already transferred all unclaimed dividend declared up to the financial year ended 31st March, 1996 to the general revenue account of Central Government in terms of provision of Section 205 A of the Companies Act, 1956. Those members who have so far not claimed their dividend for the said period may claim the same by submitting an application in Form II with the Registrar of Companies, Hakoba Mill Compound, Kalachowkie, Mumbai 400 033

Consequent upon amendment in Section 205 A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, dividend for the financial year ended 31st March, 1998 and thereafter which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government.



GOVIND RUBBER LIMITED

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:

Financial year Ended	Date of declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to IEP Fund
31-03-1998	10-08-1998	09-08-2005	06-09-2005
31-03-1999	22-07-1999	21-07-2006	18-08-2006
31-03-2000	17-08-2000	16-08-2007	13-09-2007

Shareholders who have not yet encashed the dividend warrants for the financial year ended 31st March, 1998 or any subsequent financial year, are requested to make their claim with the company. Members would also note that once the unclaimed dividend is transferred to the Central Government as above, no claim shall lie in respect thereof.

Members are requested to notify to the Company immediately of any change in their address.

The Register of Members and Share Transfer Books of the Company shall remain closed from 01.09.2005 to 03.09.2005 (both days inclusive).

Note on Director's seeking appointment / re-appointment as required under Clause 49 (VI)(A) of the Listing Agreement of Stock Exchange, Mumbai.

- i) Mr. Sandeep Jhunjunwala is retiring by rotation and is eligible for reappointment. He has offered himself for reappointment. His attendance record in the Board/ General Meeting during the year under review is given in Annexure-II of Directors' Report. Mr. Jhunjunwala is a Director of the Company since September, 2001. He has completed his graduation in Commerce. He is a member of audit committee as well as Shareholders' Grievance Committee. Mr. Jhunjunwala is also Director in Oxemberg Fashions Ltd. and Idol Textiles Ltd.
- ii) Mr. Madhusudan Lohia is retiring by rotation and is eligible for reappointment. He has offered himself for reappointment. His attendance record in the Board/ General Meeting during the year under review is given in Annexure-II of the Directors' Report. Mr. Lohia is a Director of the Company since March, 2003. He has completed his graduation in Commerce. He is a member of Audit Committee as well as Shareholders' Grievance Committee. Mr. Madhusudan Lohia is also Director in Oxemberg Fashions Ltd., Sanchna Trading & Finance Ltd. and Paramount Fintex & Industries Ltd.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

The Explanatory statement under Section 173 (2) in respect of Item No.5 & 6 of the accompanying Notice set out hereinabove is as under :

Item No.5

Shri Vinod Poddar was reappointed as Managing Director of the Company w.e.f. 01.08.2003 for a period of five years with the approval of the Members of the Company at the 18th Annual General Meeting held on 29th September, 2003. At present the remuneration being paid to Shri Vinod Poddar is in accordance with the terms laid down in the agreement already entered into between the Company and Shri Vinod Poddar which was duly approved by the members of the

Company at the said General Meeting. Taking into consideration the overall improvement in the performance of the Company under his able leadership, the Board of Directors at its Meeting held on 25th June, 2005 recommended the revision in the salary payable to the Managing Director. The Board of Directors is of the view that the increase in the remuneration is commensurate with the responsibilities shouldered by the Managing Director. The revised salary payable to the Managing Director is as under :

Remuneration :
Salary & Perquisites – Upto a Maximum Rs. 3,00,000/- per month w.e.f. 1st August, 2005, with authority to the Board to fix the salary within the said maximum amount from time to time.

The annual increment shall be effective from 1st April, 2006 and every year thereafter which will be decided by the Board and will be merit based and take into account the Company's performance.

All other terms and conditions of the appointment of Shri Vinod Poddar as approved by the Members at the Annual General Meeting held on 29th September, 2003 shall remain unchanged.

In compliance with the provisions of Sections 198, 269, 309, 310 read with relevant provisions of Schedule XIII of the Companies Act, 1956, the Members are requested to approve the revision in the remuneration of Shri Vinod Poddar as set out in Item No.5 of the Notice.

The Resolution at Item No. 5 is recommended for acceptance by the Members.

The Supplemental Draft Agreement between the Company and Shri Vinod Poddar is available for inspection by the Members of the Company at the Registered Office between 11.00 A.M. & 1.00 P.M. on any working day of the Company.

Shri Vinod Poddar is concerned or interested in Item No.5 of the Notice.

This may be treated as an abstract of the Draft Supplemental Agreement between the Company and the Managing Director under the provisions of Section 302 of the Act.

Item No.6

In terms of CDR Package as approved by CDR Cell of Reserve Bank of India, the Company has to create necessary charge on immovable and movable properties pertaining to its unit situated at B-37, Phase-IV, Focal Point, Ludhiana in favour of Term Lenders/ Working Capital Lenders i.e. ICICI Bank Limited, Industrial Development Bank of India Limited, IFCI Limited, Central Bank of India, Bank of Baroda, State Bank of India and Indian Overseas Bank to secure their financial assistance granted to the Company.

The Resolution is proposed to obtain consent of the Members in accordance with the provisions of Section 293(1)(a) of the Companies Act, 1956.

None of the Directors are in any way concerned or interested in passing of the Resolution.

By order of the Board of Directors

VINOD PODDAR
Managing Director

Place: Mumbai
Date: 25.06.2005



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DIRECTORS' REPORT, MANAGEMENT DISCUSSION & ANALYSIS :-

Dear Shareholders,

Your Directors are pleased to present the 20th Annual Report and Audited Statement of Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS

	(Rs. in Lacs)	
	2004-2005	2003-04
Sales and Operational Income (Gross)	18497	18697
Other Income	49	135
TOTAL	18546	18832
Gross Profit	287	669
Depreciation	409	710
Profit/ (Loss) before Tax	(122)	(41)
Provision for Taxation	-	-
Profit (Loss) after Tax	(122)	(41)
Depreciation relating to earlier year	148	-
Extraordinary items of Expenses	-	(482)
Prior Period adjustment	-	12
Net Profit (Loss)	26	(511)
Balance brought forward	(5821)	(5310)
Balance c/f to Balance Sheet	(5795)	(5821)

In view of inadequacy of profit, no dividend has been recommended for the year.

OPERATIONS:

The Company has achieved a Gross Turnover and other income of Rs. 18546 Lacs as compared to Rs. 18832 Lacs in the previous year. The net profit for the year stood to Rs. 26 Lacs as compared to net loss of Rs. 511 Lacs in the previous year.

OUTLOOK FOR THE CURRENT YEAR 2005-06:

Your Directors and top management have taken all measures to improve upon the performance of the Company by increasing revenues in domestic, OEM and export markets. The Company is also in the process of implementing various cost effective measures to improve upon operating Margins. The Company's business is subject to high volatility in Raw Materials and it would be a major Challenge to pass on the increased input cost to the market. Your Company is emphasizing on exports by introducing high end bicycle tyres especially for European & American market which should improve bottom line.

CORPORATE GOVERNANCE:

Pursuant to the Provisions of Clause 49 of the Listing Agreement with the Stock Exchange, Mumbai, Management Discussion and Analysis, Corporate Governance Report and Auditor's Certificate regarding Compliance of the same are made a part of this Annual Report.

FIXED DEPOSITS:

No deposit was accepted during the year and there was no any outstanding deposit as on 31st March, 2005.

DIRECTORS:

Shri Sandeep Jhunjhunwala and Shri Madhusudan Lohia will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed that -

- In the preparation of the annual accounts for the financial year ended 31st March 2005, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- The Directors 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 the year under review;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the accounts for the financial year ended 31st March 2005, on a "going concern" basis.

AUDITORS

M/s. Jayantilal Thakkar & Co., Chartered Accountants, Mumbai, the Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

INDUSTRIAL RELATIONS

The industrial relations during the year under review continues to be cordial and the employees morale is high.

ADEQUACY OF INTERNAL CONTROLS

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

The internal control system is designed to ensure that the financial and other records are reliable to prepare financial statements and other data and for maintaining accountability of assets.

QUALITY POLICY

The Company's quality policy is:-

To manufacture product that meet the specifications using standard and quality raw materials.

To ensure continuous monitoring of specified process parameters for integrated guaranteed quality.

To satisfy customers needs in terms of undiluted quality, quantity and auspicious delivery and service.

To comply with international standards for quality maintenance.



GOVIND RUBBER LIMITED

RESEARCH AND DEVELOPMENT

The Company has developed and introduced various new designs and patterns of tyres under the Research and Development programmes. Efforts are being made for the technology adaptation and innovation and as a result, the Company has benefited with product improvements, cost reduction and better productivity.

HUMAN RESOURCE DEVELOPMENT

The Company provides periodically training and personal development opportunities to its employees to improve the skill and work efficiency to serve the Company's customers in better way.

HEALTH, SAFETY AND ENVIRONMENT

Company has been making all efforts to maintain its operations in a manner that safety and health both inside and outside are maintained in the best conditions.

Employees are trained to observe and maintain all the safety and health related guidelines.

PARTICULARS OF EMPLOYEES

Since none of the employees, employed for full or part of the year, received a remuneration of Rs. 24 lacs per annum or Rs.2 lacs per month, the information is not required to be disclosed as per the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees), Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information 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, is given in the Annexure-I of the report.

CAUTIONARY STATEMENTS :

Certain statements in the Management Discussion and Analysis describing the Company's views about expectations, etc. may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Company's operations may inter-alia affect with the supply and demand situations, input prices and their availability, changes in Government regulations, taxes, exchange fluctuations and other factors such as Industrial relations and economic developments. Investors should bear the above in mind.

APPRECIATION

Your Company is grateful for the continued co-operation and assistance extended to it by the Financial Institutions and Banks. Your Directors also wish to place on record their warm appreciation for the services rendered by the Executives, Staff, Workers, Creditors and Dealers of the Company.

For and on behalf of the Board of Directors

VINOD PODDAR
Managing Director

Mumbai:

Dated : 25th June, 2005.

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ANNEXURE-I TO DIRECTORS' REPORT

DISCLOSURE UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS), RULES, 1988.

A. CONSERVATION OF ENERGY:

a) Energy conservation measures taken:

- (i) Suitable steps are taken from time to time for energy conservation as per the past experience. Energy audit has been carried out by outside consultants and their suggestions are being implemented by the Company.
- (ii) Rice Husk is being used to reduce consumption of Coal for which special purpose boilers have been installed.
- (iii) Maximum demand of electricity is being reduced by evenly distributing the loads throughout the day and increasing efficiency of plants and equipments.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy. Steps for energy conservation by conversion of existing equipments into more efficient ones are being taken.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

The use of rice-husk / coal boilers has resulted in an annual savings of about 7300 MT of Coal. However, this also depends on quality and cost of rice-husk available.

d) Total and per unit energy consumption as per form A.

FORM-A

2004-2005 2003-2004

(A) Power & Fuel Consumption :

1) Electricity:

a) Purchased:

Units	1,40,82,502	1,72,74,986
Total Amount (Rs.)	5,80,38,214	7,28,02,494
Rate/Unit (Rs.)	4.08	4.21

b) Own Generation

i) Through Diesel

Generator:

Units	25,52,748	12,06,078
Units per liter of diesel	3.25	3.25
Cost/Unit (Rs.)	6.89	5.56

ii) Through Steam

Turbine/Generator

Nil Nil

2) (i) Coal

Quantity (Kgs.)	10,909	17,295
Amount (Rs.)	68,380	1,06,370
Rs./Kg. (Rs.)	6.27	6.15

(ii) Rice-Husk

Quantity (Kgs.)	1,48,21,071	1,70,12,285
Amount (Rs.)	2,40,35,740	2,61,09,066
Rs./Kg. (Rs.)	1.62	1.53

(B) Energy Consumption per Unit of Production:

Product	2004-2005			2003-2004		
	Elect-ricity Units	Coal Kgs.	Rice- Husk Kgs.	Elect-ricity Units	Coal Kgs.	Rice Husk Kgs.
1. Cycle Tyre	0.60	0.000	0.531	0.65	0.001	0.598
2. Cycle Tube	0.18	0.000	0.162	0.20	0.000	0.183
3. Auto Tyers	1.06	0.001	0.944	1.15	0.001	1.063
4. Auto Tubes	0.26	0.000	0.236	0.29	0.000	0.266

NOTE: The Company manufactures a wide range of products and the consumption of energy will vary significantly depending upon the actual product mix for the period.

B. TECHNOLOGY ABSORPTION

e) Efforts made in technology absorption as per form B FORM - B

Form for disclosure of particular with respect to technology absorption.

A) Research & Development (R&D) :

1) Specific area in which Research & Development carried out by the Company.

The Company is developing and introducing various new sizes, designs and patterns of Tyres under its continuous R & D programmes as per changing market needs.

2) Benefit derived as a result of above Research & Development

The R & D activities resulted into development of new designs and products and also acceptability of the products in the market.

3) Future plan of action

- a) Development of New value added product
- b) Improvement in product quality
- c) Technology up gradation and modernisation

B) Technology absorption, adaptation and innovation:

i) Efforts in brief made towards technology absorption, adaptation and innovation;

Implementation of continuous modernization programmes at Ludhiana.

ii) Benefits derived as a result of the above efforts.

Product improvements, cost reduction, product quality and better productivity.

iii) Information of Imported Technology

Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

f) Activities relating to exports, initiatives taken to increase exports, developments of new markets for products and services and export plans:

The Company is one of the largest exporters of Cycle Tyres/Tubes in the country. The Company exports a large quantity to many countries.

**GOVIND RUBBER LIMITED****g) Total foreign exchange used & earned:**

I) USED (Rs. in Lacs)	2004-2005	2003-2004
i) Import of Raw Materials/Capital goods	2443.39	790.00
ii) Commission on Exports	3.00	5.79
iii) Freight on Exports	32.92	—
iv) Others	10.93	12.90
Total	2490.24	808.69

II. EARNED (Rs. in lacs)

i) Exports at F.O.B. Value	2187.10	1113.85
ii) Reimbursement of Freight and insurance	208.05	137.75
iii) Indirect Exports	406.07	1188.09
Total	2801.22	2439.69

For and on Behalf of the Board of Directors

VINOD PODDAR
 Managing Director

Mumbai:

Dated : 25th June, 2005.

ANNEXURE-II TO DIRECTORS' REPORT**CORPORATE GOVERNANCE**

(Required as per the provisions of Clause 49 of Listing Agreement of the Stock Exchange, Mumbai.)

Company's Philosophy on Code of Corporate Governance

Govind Rubber Limited is a well-known Company for the manufacturing of Tyres and Tubes. The Company firmly believes in fairness, efficiency and transparency in business operations and also fairness to the Shareholders of the Company. At Govind Rubber Limited, we view Corporate Governance in its widest sense, almost like a Trusteeship. The primary object of Corporate Governance is to create and adhere to a corporate culture of consciousness, transparency and openness and to develop capabilities and identify opportunities that could serve the goal of value creation.

Composition of Board of Directors

The Composition and category of Directors and attendance at the Board Meetings during the year and at the last Annual General Meeting, as also the number of outside Directorships and Committee Memberships/ Chairmanships in public Companies as given below.

Sr. No.	Name of Directors	Category	Attendance		Outside Directorship	Committee Member	Position Chairman
			Board	Last AGM			
1.	Vinod Poddar	Managing Director	3	Yes	—	—	—
2.	K.M.Garg	Non-Executive Independent Director	4	Yes	—	—	—
3.	Sandeep Jhunjunwala	Non-Executive Independent Director	4	Yes	2	—	—
4.	Madhusudan Lohia	Non-Executive Independent Director	4	Yes	3	—	—
5.	Anupama Ranade	Nominee ICICI Bank	—	No	1	—	—

Number of Board Meetings held and the dates on which held :

During the year, four Board Meetings were held i.e. on 28.06.04, 30.07.04, 29.10.04 and 31.01.05. The last Annual General Meeting was held on 08.09.2004.

20TH ANNUAL REPORT 2004 - 2005**Audit Committee**

During the year under review, the Audit Committee met four times viz. 28.06.2004, 30.07.2004, 29.10.2004 and 31.01.2005.

1) Constitution of Audit Committee and Attendance Report

Sr. No.	Name of Director	Category	No. of meetings attended
1.	K.M.Garg	Non Executive Independent Director	4
2.	Sandeep Jhunjunwala	Non Executive Independent Director	4
3.	Madhusudan Lohia	Non Executive Independent Director	4

2) Terms of Reference of Audit Committee

To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

To recommend the appointment and removal of external auditor, to fix their audit fees and also to approve the payment for any other services rendered by the auditors.

To review with the Management and the Auditors about the adequacy of internal control systems.

To discuss with external auditor before audit commences about the nature and scope of audit.

To review Company's financial and risk management policies.

To review the quarterly, half yearly and yearly financial statements before submitting to the Board.

Compliances with accounting standard and listing agreement.

Remuneration Committee

The Company has not formed any remuneration committee. The remuneration policy of the company is as under:-

The payment of remuneration to the Company's Managing Director is governed by the respective agreement executed by and between the Company and Managing Director. The remuneration to the Managing Director is within the overall limits of Schedule- XIII, and being approved by the Board of Directors and Members of the Company. The Non-Executive Directors are not paid any remuneration except sitting fees for attending Board Meetings as well as Share transfer committee meeting.

Remuneration paid to the Directors during the year 2004-2005

Name of Director	Sitting Fees (Rs.)	Salary & Perquisites (Rs.)	Total (Rs.)
Vinod Poddar	-	2271073	2271073
K.M. Garg	10,000	-	10,000
Sandeep Jhunjunwala	2,000	-	2,000
Madhusudan Lohia	2,000	-	2,000
Anupama Ranade	-	-	-

The Company does not have any stock option scheme.

Shareholder's / Investor's Grievance Committee**1) Terms of Reference**

a) To ensure smooth and expeditious transfer of shares.

b) To ensure redressal of Shareholders' complaints relating to transfer of shares, non-receipt of balance sheet, dividends etc.

2) Composition of Committee

The Committee comprises of the three Directors namely Shri K.M. Garg being the Chairman of the committee, Mr.Sandeep Jhunjunwala & Mr.Madhusudan Lohia .

During the period, there have been four meetings held by the Committee i.e. on 28.06.04, 30.07.04, 29.10.04 and 31.01.05 and the Committee Members attended the said Investors Grievance Meetings. Mr.R.S.Chamadia – Company Secretary, has been appointed Compliance Officer.

The Company / Registrar has received 6 complaints from the Shareholders/ Investors which were duly attended and resolved by the Company/ Registrar. There was no any transfer request pending as on 31st March, 2005.