

GUJARAT TERCE LABORATORIES LIMITED



TWENTYTHIRD ANNUAL REPORT 2007-2008

BOARD OF DIRECTORS

Shri Sunil H. Talati

(w.e.f. 20.02.08)

Chairman

Shri Natwarbhai P. Prajapati

Managing Director

Shri Amrutbhai P. Prajapati

Whole Time Director (CFO)

Shri Sureshbhai P. Prajapati

Director

Shri Devang S. Nanavati

(w.e.f. 20.02.08)

Director

Dr. Rupesh Mehta

(w.e.f. 20.02.08)

Director

Shri Harisingh L. Chaudhary

Director

Shri Gordhan G. Patel

(Till 20.02.08)

Director

Shri Kanubhai S. Patel

(Till 20.02.08)

Director

REGISTERED OFFICE/FACTORY :

122/2, Ravi Estate, Bileshwarpura, Chhatral, Dist. : Gandhinagar (N.G.)

ADMINISTRATIVE OFFICE :6th Floor, Arjun Towers, Opposite Deepkala Junction, Near Chiripal House, Shivranjani Cross Road
Satellite, Ahmedabad - 380 015**AUDITORS :****M/S. UJAL S. MEHTA & ASSOCIATES**

CHARTERED ACCOUNTANTS,

25, 2nd Floor, Avani Complex, B/h. Navrangpura Police Station, Navrangpura, Ahmedabad - 380 009.

SECRETARIAL AUDITOR:**Pinakin Shah**

Practicing Company Secretary

C-103, Panchdhara Plaza, Satellite Road, Ahmedabad - 380015.

BANKERS :

BANK OF BARODA

Ellisbridge Branch, Ahmedabad.

REGISTRAR & SHARE TRANSFER AGENT:

Pinnacle Shares Registry Pvt. Ltd.

Nr. Ashoka Mills, Naroda Road, Naroda, Ahmedabad - 380025.

Gujarat Terce Laboratories Limited**NOTICE**

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of Gujarat Terce Laboratories Limited will be held on Tuesday, 30th September, 2008 at 10.00 a.m. at 122/2 Ravi Estate, Bileshwarpura, Chhatral Dist: Gandhinagar to transact the following business:

ORDINARY BUSINESS

1. To receive consider & adopt the audited Balance Sheet as at 31st March 2008, the Profit & Loss Account for the year ended on that date and the Reports of the Directors' & the Auditors' thereon.
2. To appoint a Director in place of Shri Sureshbhai P. Prajapati, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors in place of retiring auditor and fix their remuneration.

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

"RESOLVED THAT pursuant to provisions of section 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Goenka Tapadia & Associates, Chartered Accountants, Ahmedabad be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s. Ujal Mehta & Associates, Chartered Accountants, the retiring Auditors of the Company, who do not offer themselves for reappointment, to hold office from the conclusion of this Annual General Meeting up to conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification (s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 293 (1) (d) and other applicable provisions of the Companies Act, 1956, the consent of the company be and is hereby accorded to the Board of Directors of the Company (the Board) for borrowing from time to time , any sum or sums of money for the purposes of business of the Company upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding, that the money or monies to be borrowed by the Company (apart from the Temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the money already borrowed, if any, may exceed the aggregate , for the time-being of the paid-up share capital of the company and its free reserves, if any, that is to say, reserves not set apart for any specific purpose(s), provided however that the total amount of the money or monies to be so borrowed by the Company together with the money already borrowed shall not , at any time exceed Rs. 50 Crores (Rupees Fifty Crores only) ."

5. To consider & if thought fit to pass with or without modifications the following resolution as an ordinary resolution.

"RESOLVED THAT Shri Sunil H. Talati whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Shri Sunil H. Talati for the office of Director, be and is hereby appointed as Director of the Company."

6. To consider & if thought fit to pass with or without modifications the following resolution as an ordinary resolution.

"RESOLVED THAT Shri Devang S. Nanavati whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Shri Devang S. Nanavati for the office of Director, be and is hereby appointed as Director of the Company."

7. To consider & if thought fit to pass with or without modifications the following resolution as an ordinary resolution.

"RESOLVED THAT Shri Dr Rupesh Mehta whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Shri Dr Rupesh Mehta for the office of Director, be and is hereby appointed as Director of the Company."

By Order of the Board of Directors

30th June, 2008

Registered office:

122/2 Ravi Estate, Bileshwarpura,
Chhatral Dist: Gandhinagar

N.P. Prajapati
Managing Director

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Share transfer documents and all correspondence relating thereto, should be addressed to Registrar and Share Transfer Agents of the Company, M/s Pinnacle Shares Registry Private Ltd., Nr. Ashoka Mills, Naroda Road, Naroda, Ahmedabad-380 025, Tel.: 079-22204226, 22200591, 22200582, Fax: +91-79-2220 29 63 E-mail girish.patel@psrpl.com and investors.services@psrpl.com.
4. Members who hold shares in physical form are requested to notify immediately any changes in their addresses to the Registrar and Share Transfer Agents at the above address and to their depository participants, in case shares are held in electronic mode.
5. Shareholders/proxies are requested to produce the attendance slip at the entrance of the Meeting Hall.
6. The Register of Members and Transfer Book of the Company will be closed from Tuesday, 23/09/2008 to Tuesday, 30/09/2008 [Both days inclusive].
7. Shareholders desiring any information as regards the Accounts are requested to write to the Company at least five days in advance of the Annual General Meeting to enable the Management to keep the information ready at the meeting.
8. An Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
9. At the ensuing Annual General Meeting, Shri Sureshbhai P. Prajapati shall retire by rotation and being eligible, offers himself for reappointment. Shri Devang Nanavati, Shri Sunil H. Talati and Shri Dr Rupesh Mehta whose term of office as an Additional Director of the Company also expires at ensuing Annual General Meeting and also offer themselves for reappointment.

Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors to be reappointed are given below :

NAME	AGE	QUALIFICATION	OTHER MEMBERSHIP
Shri Sunil H. Talati (Practising Chartered Accountant)	57 Years	F.C.A., LLB., M.Com.	Gyscol Alloys Ltd.
Shri Devang S. Nanavati (Advocate)	37 Years	International Law [and minor in international finance management], B.A. [Pepperdine University, California, U.S.A], LLB.	NIL
Shri Dr Rupesh Mehta (Surgeon)	61 Years	M.S., F.R.C.S., F.R.C.S. (Edin) , F.I.C.S. (U.S.A.), F.A.C.G. (U.S.A.)	Indo Global Enterprises Ltd. PNB Finance Industries Ltd.
Shri Sureshbhai P. Prajapati (Businessman)	47 Years	B.Sc.	NIL

**EXPLANATORY STATEMENT
PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

Item No. 3

M/s Ujal Mehta & Associates, Chartered Accountants, Ahmedabad, the present auditors who retire at this Annual General Meeting do not offer themselves for reappointment as Statutory Auditors of the Company for the financial year 2008-09. In view of the above and based on the recommendations of the Audit Committee, the Board of Directors has at its meeting held on 30th June, 2008, proposed the appointment of M/s. Goenka Tapadia & Associates, Chartered Accountants, Ahmedabad as the Statutory Auditors in the place of M/s.Ujal Mehta & Associates, Chartered Accountants for the financial year 2008-09. M/s. Goenka Tapadia & Associates, Chartered Accountants expressed their willingness to act as Auditors of the Company, if appointed and have further confirmed that the said appointment would be in conformity with the provisions of Section 224(1B) of the Act.

Gujarat Terce Laboratories Limited

The Board recommends this resolution for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item no 4

The Company may need more funds to meet its future business requirements.

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Public Company can not borrow money (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the Company's Paid-up Capital and Free Reserves (that is reserves not set apart for any specific purpose) without the consent of the shareholders in the General Meeting.

The Resolution set out at item No.4 of the notice is put forth for consideration of the members as a Special resolution pursuant to section 293(1)(d) of the Companies Act, 1956, authorizing the Board of Directors to borrow upto a sum of Rs.50 Crores.

Your Directors recommend the above Resolution for your approval. None of the Directors of the Company are in any way concerned or interested in the said resolution.

Item no 5

Shri Sunil H. Talati was appointed by the Board of Directors as an Additional Director of the Company on 20/02/2008 and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956. Shri Sunil H. Talati is eligible for reappointment and in respect of whom the Company has received notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing his candidature for the Office of Director.

The Board commends the Resolution in the interest of the Company.

None of the Director except Shri Sunil H. Talati concerned or interested in the said Resolution.

Item no 6

Shri Devang S. Nanavati was appointed by the Board of Directors as an Additional Director of the Company on 20/02/2008 and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956. Shri Devang Nanavati is eligible for reappointment and in respect of whom the Company has received notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing his candidature for the Office of Director.

The Board commends the Resolution in the interest of the Company.

None of the Director of the Company except Shri Devang S. Nanavati concerned or interested in the said Resolution.

Item no 7

Shri Dr. Rupesh Mehta was appointed by the Board of Directors as an Additional Director of the Company on 20/02/2008 and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956. Shri Dr. Rupesh Mehta is eligible for reappointment and in respect of whom the Company has received notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing his candidature for the Office of Director.

The Board commends the Resolution in the interest of the Company.

None of the Director of the Company except Shri Dr. Rupesh Mehta concerned or interested in the said Resolution.

By Order of the Board of Directors

30th June, 2008

Registered office:

122/2 Ravi Estate, Bileshwarpura,
Chhatral, Dist: Gandhinagar

N.P. Prajapati
Managing Director



DIRECTORS' REPORT

To
The Members

Your Directors are pleased to present the Twenty Third Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2008.

FINANCIAL RESULTS:

	2007-08 (Rs. in Lac)	2006-07 (Rs. in Lac)
Gross Income	1330.64	1156.43
Profit before Depreciation & Tax	30.81	37.43
Depreciation	15.08	14.78
Profit after Depreciation	15.73	22.65
Tax- Current	6.12	17.82
Deferred	-5.21	0.51
Profit after tax	14.82	4.32
Profit brought forward from previous year.	32.09	27.77
Balance Carried To Balance Sheet	46.91	32.08

The Company has offered 11,00,000 Equity Shares for cash at par on Preferential basis to directors & certain private investors. The issue is made to meet long term working capital requirement of the Company.

CORPORATE GOVERNANCE

A detailed Report on Corporate Governance system of the Company is provided in the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS

This Report includes discussion on the following matters within the limits set by the Company's competitive position:

Industry Structure & Development

The Indian pharmaceutical industry is estimated to have over 10,000 manufacturing units, as given by the Organization of Pharmaceutical Producers of India. The organized sector accounts for just 5% of the industry with around 300 players, while a huge 95% is in the unorganized sector. A large number of players in the unorganized segment are small and medium enterprises and this segment contributes 35% of the industry's turnover.

There are believed to be over 60,000 formulations manufactured in India in more than 60 therapeutic segments. More than 85% of the formulations produced in the country are sold in the domestic market. India is largely self-sufficient in case of formulations, though some life saving, new-generation-technology-barrier formulations continue to be imported. Pharma companies have developed Good Manufacturing Practices (GMP) compliant facilities for the production of different dosage forms.

India has a significant share in the global generics market and is ranked third. In recent years, this segment has been facing stiff competition, which makes the scale of production important to improve profitability.

Opportunities & threats

Factors favouring the company are a strong marketing set up, low price and the advantage of the English language. The company operates in selected states and vast market is yet to be tapped.

The company continues to carry risks of competition in the industry. The company needs to attain the right product-mix for sustained future growth. It is an extremely fragmented market with severe price competition and government price control.

Gujarat Terce Laboratories Limited

Operational & Financial Performance

The Company has only one business segment namely formulations. During the year 2007-08 Net sales increased by 15.06 % i.e. from Rs 1156.43 lac in 2006-07 to Rs 1330.64 in 2007-08.

RISK & CONCERNS

The Company has adopted risk management approach with an objective to balance risk & cost. The policy lays down a detailed structure for risk management & control in the company. There are few risk factors those are relevant to the business of your Company. The Company operates in a highly regulated industry & must comply with a broad range of dynamic regulatory controls, particularly in the regulated markets.

Internal Control System

The Internal Control System of the Company is adequate. The Company has set up detailed systems & procedure in all-important areas which act as guideline to its employees. The recommendations of the auditors on the efficacy of the internal control are implemented. Audit committee constituted by the Board of Directors continuously reviews the reports of the internal audit team. The shortcomings observed in the system are regularly monitored for corrections as well as prevention.

Human Resource

The Human Resource Development is an integral part of the Company's Corporate Philosophy. The Company is committed to provide career oriented training to its employees at all levels with an added impetus to build leaders. The company continues to have extremely cordial personnel relations.

Cautionary Statement

Statement in the Management Discussion & Analysis Report describing the Company's objective, expectations or predictions may be forward looking within the meaning of applicable Securities Laws & Regulations. Actual performance may differ from those expressed or implied depending upon the economic conditions, the Government Policies & the other incidental/related factors.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to sub-Section (2AA) of Section 217 of Companies Act 1956 the Board of Directors of the Company hereby state and confirm that:

- (i) in preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) We have selected such accounting policies and applied them consistently 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 end of the financial year and of the profit or loss of the Company for that period;
- (iii) We have 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 fraud and other irregularities;
- (iv) We have prepared the annual accounts on a going concern basis.

DIRECTORS

Shri Kanubhai S. Patel and Shri Gordhan G. Patel resigned from the directorship w.e.f. 20/02/2008 due to their personal reasons. The Board is grateful to them for services rendered by them.

Shri Sunil H. Talati, Shri Devang S. Nanavati and Dr. Rupesh Mehta were appointed as Additional Directors on 20/02/2008 and hold position till next Annual General Meeting. They being eligible for reappointment, offer themselves for reappointment. The company has received notice in writing under Section 257 of the Companies Act, 1956 from member/s proposing their candidature for the office of Director.

Shri Suresh P. Prajapati retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for reappointment.

AUDITORS AND AUDITORS' REPORT:

The retiring Auditors M/s Ujal S. Mehta & Associate, Chartered Accountants, Ahmedabad has indicated their unwillingness to continue as auditor of the Company. It is proposed to appoint M/s. Goenka Tapadia & Associates, Chartered Accountants, Ahmedabad as auditors of the Company till the conclusion of Twenty Forth Annual General Meeting. The Company has received certificate from the M/s. Goenka Tapadia & Associates auditors to the effect that the reappointment if made, would be within prescribed limit under Section 224 (1-B) of the Companies Act, 1956.

**EXPLANATION TO COMMENTS OF AUDITORS' REPORT :**

The auditors have qualified their report in respect of retirement benefits, doubtful debts and non – provisions for the diminution of market value of investment.

- (i) The directors are of the opinion that the company has no liability on retirement benefits except payment of gratuity. The gratuity liability is being worked out and will be implemented from next accounting year.
- (ii) The provision for bad & doubtful debt is not made as the matter is under dispute.
- (iii) The amount of diminution is small and it does not affect the true and fair view of the Annual Accounts and hence no provision for diminution of market value of investment is made.

FIXED DEPOSITS:

The Company has not accepted any deposits from the public.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**A. Conservation of Energy**

- I. The company has not made any investment [for energy conservation] and taken any specific measures to reduce energy cost per unit. However, it intends to conserve energy for future generation.
- II. Part A pertaining to conservation of energy is applicable to the company. The details of power and fuel consumption are given below:

Power and fuel consumption :

I. Electricity	<u>Current Year</u>	<u>Previous Year</u>
▪ Purchased		
Unit	25625	57810
Total Amount	181440	307827
Average Cost	7.08	5.32
Per Unit of Production	0.0096	0.0030
▪ Own generation : N.A.		

NOTE : The Company has not used coal/ furnace oil as fuel during the year and has not generated electricity internally.

B. Technology Absorption

There is no Research and Development activity carried out by the Company.

C. Foreign Exchange Earnings and Outgo:

The Company has earned total foreign exchange of RS 4.60 Lac by way of exports in the year 2007-08 and no amount was spent on import of raw material, travelling expenses and other matters.

PARTICULARS OF EMPLOYEES:

The information as required under Section 217(2A) of the Companies Act.1956 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time is nil.

ACKNOWLEDGMENTS:

The Board expresses their appreciation for continued co-operation and support extended to the Company by Bank of Baroda and customers. The Board also records its deep appreciation of the creditable services rendered by the Company's employees at all levels.

For and on behalf of Board of Directors

30th June, 2008
Registered office:
122/2 Ravi Estate,
Bileshwarpura, Chhatral Dist: Gandhinagar

N.P. Prajapati
Managing Director

Gujarat Terce Laboratories Limited**REPORT ON CORPORATE GOVERNANCE**

(As required by clause 49 of the Listing Agreement with the stock exchange)

MANDATORY REQUIREMENTS**1. Company's Philosophy & Code of Governance**

The Company believes in setting good and ethical corporate governance practices. The Company is managed by the Managing Director under the supervision and control of Board of Directors. The Managing Director is assisted by a team of qualified and experienced professionals.

Your Company's corporate governance policy is directed towards

- Adherence to ethical business practices.
- Transparency in respect of board matters and disclosures to shareholders
- Maximizing sustainable values to all its stakeholders including shareholders, customers, and employees.

2. Board of Directors**Composition of Board:**

The composition of the Board is in conformity with clause 49 of the Listing Agreement. The Board consists of 7 [Seven] members. The Company has Non Executive Chairman and the number of Independent Director is more than one third of the total number of Directors. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in clause 49), across all the Companies in which he is a Director. The Directors have made the necessary disclosures regarding Committee positions.

The Composition of the Board as on 31st March 2008 was as under:

Directors	Category	Attendance Particulars			Other Committee Membership	
		Board Meeting	Last AGM	Other Directorships	Member	Chairman
Shri Natwarbhai P. Prajapati	Executive MD	6	YES	NIL	NIL	NIL
Shri Sureshbhai P. Prajapati	DIR-IND	5	YES	NIL	NIL	NIL
Shri Amrutbhai P. Prajapati	WTD-FINANCE CFO	6	YES	NIL	NIL	NIL
Shri Sunil H. Talati*	CM-NE-IND	2	NO	1	NIL	NIL
Shri Devang S. Nanavati*	DIR-IND	2	NO	NIL	NIL	NIL
Shri Kanubhai S. Patel **	DIR-IND	4	YES	NIL	NIL	NIL
Shri Dr Rupesh Mehta *	DIR-IND	2	NO	2	NIL	NIL
Shri Gordhanbhai G. Patel **	DIR- IND	4	NO	NIL	NIL	NIL
Shri Harisingh L. Chaudhary	DIR-IND	4	YES	NIL	NIL	NIL

CM- Chairman, DIR-IND- Director Independent, MD- Managing Director, WTD- Whole Time Director, CFO - Chief Financial Officer NE- Non Executive.

** Resigned w.e.f. 20/02/2008.

* Appointed w.e.f. 20/02/2008

Details of Board Meetings held during the year 2007-08

6 (Six) Board Meetings were held during the year and the gap between two meetings did not exceed four months.

Leave of absence was granted by the Board to the Directors who were absent at the respective Board Meeting(s).

Date of Meeting	No. of Directors Present
30/06/2007	6
31/07/2007	6
31/10/2007	6
30/01/2008	6
20/02/2008	5
20/03/2008	6

The information as required under annexure I to clause 49 is being made available to the Board.



3. AUDIT COMMITTEE

Terms of Reference:

The terms of reference, role and scope are in line with those prescribed by clause 49 of the Listing Agreement executed with the Mumbai Stock Exchange. The Company also complies with the provisions of Section 292A of the Companies Act, 1956 pertaining to Audit committee and its functioning.

The Board delegated the following powers to the Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Compliance with accounting standards.

The role of Audit Committee:

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment/removal of external auditors, fixing audit fees and approving payments for any other services;
- Reviewing with the management the quarterly/annual financial statements before submission to the Board;
- Reviewing with the management, the adequacy of Internal control system;
- Discussing with the external auditors before the audit commences, the nature and scope of audit as well as have post audit discussions to ascertain any area of concern;
- Reviewing the Company's financial & risk management policies;
- To look into the reasons for substantial defaults in the payment to the creditors.

Review of information:

- Management discussion and analysis of financial condition and result of operations.
- Statement of significant related party transactions, as defined by the Committee, submitted by the management.

Composition:

The Audit Committee comprises of 3 Non Executive Directors & majority of them are independent. The members of Audit Committee have adequate financial/accounting knowledge.

The Audit Committee met five times during the year under review on 30/06/2007, 31/07/2007, 31/10/2007, 31/01/2008 and 20/03/2008. The Audit Committee was reconstituted on 20/02/2008.

Name	Position	Category	Attendance
Shri Sunil H. Talati (Appointed w.e.f. 20/02/2008)	Chairman	Non executive Independent Director	1
Shri Kanubhai S. Patel (Ceased to be member w.e.f. 20/02/2008)	Chairman	Non executive Independent Director	4
Shri Gordhanbhai G. Patel (Ceased to be member w.e.f. 20/02/2008)	Member	Non executive Independent Director	4
Shri Harisingh L. Chaudhary	Member	Non executive Independent Director	5
Shri Devang S. Nanavati (Appointed w.e.f. 20/02/2008)	Member	Non executive Independent Director	1

4. REMUNERATION OF DIRECTORS

Terms of Reference:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole Time Directors.
- Reviewing performance of the Managing /Whole Time Director and recommending to the Board, the quantum of annual increments and annual commission.