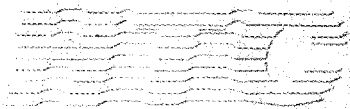


HOTLINE

16th Annual Report 2004 - 2005



**Hotline
Teletube &
Components Limited**

HOTLINE TELETUBE & COMPONENTS LIMITED*16th Annual Report 2004-2005***BOARD OF DIRECTORS**

Shri Anil Gupta – Chairman
 Shri V. N. Masaldan – Managing Director
 Shri Govind Narain – Director
 Col. B. K. Rai – Director
 Shri Amarjit Chopra – Director
 Shri Sanjiv Narayan – Director
 Shri M. P. Rajan – Director
 Shri D. C. Mathur – Director

BANKERS

Punjab National Bank
 Mid Corporate Branch, Barakhamba Road,
 New Delhi – 110 001

STATUTORY AUDITORS

M/s. S. S. Kothari Mehta & Co., Chartered Accountants
 Plot No. 146-149, Tribhuvan Complex,
 Ishwar Nagar, Mathura Road
 New Delhi – 110 065

REGISTERED OFFICE

139, Malanpur Indl. Area,
 Distt. Bhind, Madhya Pradesh

HEAD OFFICE

241, Okhla Industrial Estate,
 Phase – III, New Delhi – 110 020
 Phone No. 51612311-18
 Fax: 26916386, 26846364

REGISTRAR

MCS Limited
 Sri Venkatesh Bhavan,
 W-40, Okhla Industrial Area,
 Phase - II, New Delhi – 110 020
 Phone No. 51609386, 26384775
 Fax : 26384907

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NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of Hotline Teletube & Components Limited will be held on Friday, 30th September, 2005 at 11:00 A.M. at GBA 1-3, Ghirongi Industrial Area, Malanpur, Distt. Bhind (M. P.).

ORDINARY BUSINESS

1. To receive, consider and adopt the audited statement of accounts of the Company for the year ended 31st March 2005 and Report of the Directors and Auditors thereof.
2. To declare dividend.
3. To appoint a Director in place of Mr. Sanjiv Narayan who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. M. P. Rajan who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint auditors & to fix their remuneration.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PLACE : NEW DELHI
DATE : 13.08.2005

V. N. MASALDAN
MANAGING DIRECTOR

NOTES

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote, on the Poll only, instead of himself and the proxy so appointed need not be a member of the Company. Proxies in order to be effective must reach at the Registered Office of the Company not less than 48 hours before the time fixed for meeting.
2. The Register of Members and the share transfer books of the Company shall remain closed from 16th September 2005 to 30th September 2005 (both days inclusive).
3. Shareholders / Proxy Holders are requested to produce at the entrance the admission slip forwarded to them, duly completed and signed in accordance with the specimen signature registered with the Company.
4. The Company is maintaining its office in Delhi at 241, Okhla Industrial Estate, Phase III, New Delhi - 110020, where the shareholders can lodge any papers including shares for transfer.
5. The instrument of share transfer, completed in all respect should be sent to the Company well in advance, so as to reach to the Company prior to book closure. Shares under any defective transfer (unless defect is removed prior to book closure) and/or instrument of transfer received during the period of book closure shall be considered after reopening of books.
6. Members are requested to bring their copy of Annual Report, as no copies will be distributed at the Annual General Meeting.
7. Members desirous of getting any information about the accounts under reference and operations of the Company are advised to address their queries to the Managing Director of the Company well in advance, so that the same may reach him at least seven days before the date of the meeting to enable the management to keep the required information readily available at the meeting.

DIRECTOR'S REPORT

To,

The Members

Hotline Teletube & Components Ltd.

Your Directors are pleased to present the Sixteenth Annual Report together with the Audited Statement of Accounts of the company for the year ended 31st March 2005.

FINANCIAL RESULTS

(Rs. In Lacs)

| Particulars | Year ended 31 st March 2005 | Year ended 31 st March 2004 |
|--|--|--|
| Sales and Other Income | 6467 | 6548 |
| Profit/(Loss) before Depreciation and Financial Expenses | 467 | 449 |
| Financial Expenses | 227 | 232 |
| Cash Profit/(Cash Loss) | 240 | 217 |
| Depreciation | 128 | 118 |
| Net Profit/(Loss) before tax | 112 | 99 |
| Income Tax: | | |
| Current Tax: | 61 | 57 |
| Deferred Tax: | -39 | -18 |
| Net Profit After Tax | 90 | 60 |

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to sub section (2AA) of section 217 of the Companies Act, 1956 the Board of Directors of the company hereby state and confirm that:

- (i) In the preparation of Annual Accounts for the year ended 31st March 2005, the applicable accounting standards have been followed.
- (ii) The financial statements do give a true and fair view of the state of affairs of the company for the financial year ended 31st March 2005 and your directors have selected and applied the consistent accounting policies and the judgement and estimates made therein are reasonable and prudent.
- (iii) Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities have been ensured.
- (iv) The Annual Accounts for the year ended 31st March 2005 have been prepared on a going concern basis.

OPERATIONS

During the year, the company has achieved a net profit before tax of Rs.112 lakhs as against Rs.99 lakhs in the year 2003-2004.

The Black & White TV Industry is declining and the demand for Colour TV is increasing. Company produced 6.40 Lac Black & White Picture Tubes as compared to 12 Lac tubes produced last year. Considering these facts company has focused on manufacturing of the components for Colour TV, flaring of necks for Colour Funnel and trading in Colour Picture Tubes and its components, which has resulted in higher profits.

DIVIDEND

The Directors have recommended a dividend of 15% for the financial year ended 31st March, 2005, which if approved at the forthcoming Annual General Meeting, will be paid to (i) all those Equity shareholders whose names appear in the Register of Members as on 16th September, 2005 and (ii) to those whose names as beneficial owners are furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

FUTURE PROSPECTS

The good economic growth has increased the purchasing power of the consumers. Availability of Colour TV at low prices and on easy finance schemes has induced the consumer to buy the Colour TV instead of the B&W TV. Though company continues to produce Black & White tube, based on demand emanating out of rural areas, its major area of business will be related to Colour TV. The profitability of the company is directly related to the growth of Colour TV industry. The demand of Colour TV is expected to grow rapidly due to thrust of Government on rural electrification which will increase the penetration level in rural households.

CORPORATE GOVERNANCE

A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, form part of the Annual Report.

FIXED DEPOSIT

The company has not accepted any fixed deposit from the public during the year.

DELISTING

At present the shares of company are listed on The Stock Exchange, Mumbai. The company has paid the listing fees of The Stock Exchange, Mumbai for the year 2005 - 2006.

During the year under review company has applied for delisting of its securities under the new SEBI Guidelines on delisting from Delhi Stock Exchange, Madhya Pradesh Stock Exchange and Calcutta Stock Exchange. The securities of the company were delisted w.e.f. 20.01.2005 from the Delhi Stock Exchange Association Ltd.

The company has already complied with all the formalities for getting the shares delisted from Calcutta Stock Exchange and Madhya Pradesh Stock Exchange.

DIRECTORS

Mr. Sanjiv Narayan and M.P.Rajan, retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting. Brief resume of the above Directors, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are given in Corporate Governance Report forming part of the Annual Report.

AUDITORS

M/s. S. S. Kothari Mehta and Co., Chartered Accountants, Delhi, Statutory Auditors of the Company retire as Auditors of the Company at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The Audit Committee of directors at its meeting held has recommended to continue the appointment of M/s. S. S. Kothari Mehta and Co. as statutory auditors of the Company.

OBSERVATION OF AUDITORS

The observation of Auditors are self explanatory and/or have been suitably explained in the notes to the Accounts.

PARTICULAR OF EMPLOYEES

None of the employees are covered under section 217 (2A) of the Companies Act, 1956 and rules framed there under.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW**A. ENERGY CONSERVATION**

The Company is continuously adopting energy conservation measures to improve energy efficiency of the processes and reduce wastages. During the year 2004-2005, the company took following steps to save energy:-

- By changing the process in 20" Band Machine, substantial savings of power and air were achieved.
- Replaced Star Delta Motor cooling system in water recirculation system with small chiller unit.
- Replacement of conventional chokes by energy efficient electric chokes.
- Converted the Motors as per load efficiency to achieve savings in power.

TECHNOLOGY ABSORPTION

Company has developed all Sheet Metal Parts through In-House Technology. It has also designed various tools and dies which have improved the efficiency levels.

B. RESEARCH & DEVELOPMENT

Company carried Research & Development activities to increase productivity and minimise cost in usage of various chemicals and process waste. As a result of this Research & Development activity company saved substantial amount on cost of important raw materials like Steel, Lacquer and Outside Graphite. Company is working on upgradation of strip feeding system and on reduction in index time of Heat Shrink Band Machine. The expenditure on Research & Development is booked in respective accounting heads.

C. FOREIGN EXCHANGE EARNINGS & OUTFLOW

Total foreign exchange outflow by company during the period is Rs.352 Lacs for imports, commission on sale and travelling and foreign exchange earned during the period is Rs. 222 Lacs from exports.

ACKNOWLEDGEMENT

Your directors wish to place on record their sincere appreciation for continuous co-operation, support and assistance provided by shareholders, banks, government bodies, customers, dealers and suppliers of the company. Your directors also wish to place on record their appreciation for the dedicated services rendered by the employees of the Company.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PLACE : NEW DELHI
DATE : 13.08.2005

V. N. MASALDAN
(MANAGING DIRECTOR)

HOTLINE TÉLETUBE & COMPONENTS LIMITED**COMPLIANCE REPORT ON CORPORATE GOVERNANCE***(Clause 49 of the Listing Agreement)***I COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Hotline's philosophy on Corporate Governance envisages achieving highest standards of accountability, transparency and equity in all its spheres and in all its dealings with its stakeholders. Hotline Teletube & Components Ltd. is committed to establishing and diligently following the highest standards of Corporate Governance in its pursuit of profitable growth and enhancement of shareholder's value.

Company believes that any business conduct can be ethical only when it rests on the core values of Honesty, Fairness, Trust, Transparency and Responsibility towards not only stakeholders but also to entire society.

Hotline Teletube & Components Ltd. continues to follow procedures and practices in conformity with the Code of Corporate Governance as stipulated by SEBI.

II BOARD OF DIRECTORS**A Composition of Board**

As on 31st March 2005, the Board of Directors consists of eight directors, out of which seven are non-executive directors. Mr. V. N. Masaldan, Managing Director is the only Executive Director.

The composition of Board of Directors is as follows:

| Name | Category | Designation | Number of other Directorship held in public/pvt. Companies | Number of Board level committees where member | Number of Board level committees where chair person |
|--------------------|------------------------------------|-------------------|--|---|---|
| Mr. Anil Gupta | Promoter Director | Chairman | 7 | NIL | NIL |
| Mr. V. N. Masaldan | Executive Director | Managing Director | 4 | 4 | NIL |
| Mr. D. C. Mathur | Independent Non Executive Director | Director | 3 | 4 | 2 |
| Mr. Govind Narain | Independent Non Executive Director | Director | 2 | NIL | 2 |
| Mr. Sanjiv Narayan | Independent Non Executive Director | Director | 5 | 2 | 3 |
| Mr. M. P. Raján | Independent Non Executive Director | Director | 1 | 1 | NIL |
| Mr. Amarjit Chopra | Independent Non Executive Director | Director | 2 | 3 | NIL |
| Col. B. K. Rai | Independent Non Executive Director | Director | 3 | 1 | NIL |

The Chairman is a Promoter Director and the number of Independent Non-Executive Directors on the Board is more than 50% of the Board strength at any point of time. Brief resume of the Directors being re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold Directorship and the membership of the committees of the Board are furnished hereunder:-

(a) Mr. Sanjiv Narayan is a Non-Executive and Independent Director of your company. He is an IIT alumnus and MBA and has vast experience in Electronic Industry. He has held the position of President of ELCINA twice. He is Managing Director of SGS Teknics Pvt. Ltd. He is holding Directorship of Hotline Glass Limited, Hotline CPT Limited, SGS Infotech Pvt. Ltd. and SGS Holdings and Leasing Pvt. Ltd. He is Chairman of Audit Committee of your company, Hotline CPT Limited and Hotline Glass Limited and also member of Shareholder Grievance Committee of your company and Hotline Glass Limited.

(b) Mr. M. P. Rajan was a senior officer of the Indian Administrative Services for 25 years. He holds a Masters Degree in Corporate Finance from Strathclyde University, Glasgow. He has been Chairman of the Madhya Pradesh Council of the CII for 6 years and also a member of the National Council of the CII.

B. All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis, the company should be disclosed in the Annual Report

None of the non-executive directors has any pecuniary relationship with the company.

C. The Board of Directors of a company shall meet at least four times a year, with a maximum time gap of four months between any two meetings

During the year the Board of Directors of your company met 5 times. The dates on which the meetings were held are 28.4.2004, 31.7.2004, 30.9.2004, 30.10.2004 and 29.1.2005 and the gap requirement between two meetings has been complied.

All relevant information, as per clause 49 of the listing Agreement was placed before the Board from time to time.

| Name of Directors | Number of Board Meetings held during the year | Number of Board Meetings attended | Last AGM Attendance (Yes/No) |
|--------------------|---|-----------------------------------|------------------------------|
| Mr. Anil Gupta | 5 | 5 | Yes |
| Mr. V. N. Masaldan | 5 | 5 | Yes |
| Mr. D. C. Mathur | 5 | 5 | Yes |
| Mr. Govind Narain | 5 | 4 | No |
| Mr. Sanjiv Narayan | 5 | 5 | Yes |
| Mr. M.P. Rajan | 5 | 3 | Yes |
| Mr. Amarjit Chopra | 5 | NIL | No |
| Col. B.K. Rai | 5 | 4 | Yes |

HOTLINE TELETUBE & COMPONENTS LIMITED**D. Director shall not be a member in more than 10 committees or act as chairman of more than 5 committees across all companies in which they were Directors**

None of the Directors of your company were members in more than 10 committees or acted as chairman of more than 5 committees across all companies in which they were Directors. Details of Board Membership positions occupied by the Directors, across all companies, are given at the beginning of the section.

III AUDIT COMMITTEE

The company has constituted an Audit Committee of Directors in accordance with the requirements of Sec 292A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement.

A. Composition, name of members and chairperson

The Audit Committee of the company comprised of Mr. Sanjiv Narayan, Col. B. K. Rai and Mr. D. C. Mathur, all being Non-Executive and Independent Directors.

Mr. Sanjiv Narayan is the Chairman of the committee and is a Non-Executive and Independent Director. He is an IIT alumnus and MBA and has vast experience in Electronic Industry. He has held the position of President of ELCINA twice.

Col. B. K. Rai has over 42 years of experience in Electronics Industry and he has been chairman of Upton. He is presently holding Directorship of 4 companies including of Hotline Teletube & Components Ltd. He is also an Audit Committee member of your company.

Mr. D. C. Mathur is a well qualified professional, fellow-member of Institute of Chartered Accountants of India, Institute of Company Secretaries of India and Institute of Cost and Works Accountants of India. He possesses good knowledge and has rich experience in the field of finance, accountancy and corporate laws. He is Joint Managing Director of Hotline CPT Ltd.

The Company Secretary acts as the Secretary of the committee.

B. The Audit Committee shall meet at least thrice a year. One meeting shall be held before finalization of annual accounts and one every six months
During the year, the Audit Committee met 4 times. The dates on which the meetings were held are 28.4.2004, 31.7.2004, 30.10.2004 and 29.1.2005.

| Name | Number of meetings held during the year | Number of meetings attended during the year |
|--------------------|---|---|
| Mr. Sanjiv Narayan | 4 | 4 |
| Col. B. K. Rai | 4 | 3 |
| Mr. D. C. Mathur | 4 | 4 |

The Finance Head and Internal Auditors were present in the Audit Committee meetings as stipulated in the code. The representative of external auditors also participated in Audit Committee Meeting held for review of Annual Accounts. Further the Chairman of the committee was also present in the Annual General Meeting.

C. Terms of Reference

The terms of reference stipulated by the Board of Directors to the Audit Committee as contained in Clause 49 of the Listing Agreement and section 292A of the Companies Act, 1956 are as follows.

- Oversight of the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the half yearly and annual financial statements before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgment by management (iii) qualifications in draft audit report (iv) significant adjustments arising out of audit (v) the going concern assumption (vi) compliance with accounting standards (vii) compliance with stock exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- Reviewing with the management, external and internal auditors, the adequacy and compliance of internal control systems.
- Reviewing the adequacy of internal audit functions.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of material nature and reporting the matter to the Board.
- Discussion with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non payment of declared dividends) and creditors.

IV REMUNERATION OF DIRECTORS

Remuneration to Mr. V. N. Masaldan, Managing Director is payable within the limit of Schedule XIII of the Companies Act, 1956. Disclosure of remuneration payable to Mr. V. N. Masaldan is given below :-

| | |
|--|---------------|
| - Basic Salary | Rs.4,32,060/- |
| - Allowances, perquisites and other benefits | Rs.2,43,144/- |
| - Provident Fund | Rs.51,852/- |

He was reappointed as Managing Director on 30th May, 2003 for a term of 5 years.

No Remuneration is paid to Mr. Anil Gupta, Promoter Director designated as Chairman, Company is not paying any remuneration to the Non-Executive Directors.

However, the Company pays sitting fees to all Directors except to Managing Director at the rate of Rs.2000/- for attending meeting of the Board and Audit Committee. The sitting fees paid for the year ended 31st March 2005 to the Directors are as follows:

| Name of the Director | Sitting Fees (Rs.) |
|----------------------|--------------------|
| Mr. Anil Gupta | 10,000/- |
| Col. B. K. Rai | 14,000/- |
| Mr. Amarjit Chopra | NIL |
| Mr. Govind Narain | 8000/- |
| Mr. Sanjiv Narayan | 18,000/- |
| Mr. D. C. Mathur | 18,000/- |
| Mr. M. P. Rajan | 6,000/- |
| Total | 74,000/- |

V MANAGEMENT**A. Management discussion and Analysis Report**

- **Industry Structure and Development** – Due to declining demand for B/W TV, the industry is not doing well. The B/W TV market has deteriorated because of availability of Colour TV at very low price. Considering these facts company has started the production of sheet metal parts for Colour TV and flared necks for Colour Funnel on large scale. The company is also engaged in trading of CPT and DY Coils.
 - **Opportunities and Threats** – Due to increased domestic as well as global demand for Colour TV especially from developing countries there is an opportunity for the company, as it is engaged in the manufacturing of components for Colour TV. Low rate of duty under Free Trade Agreement and aggressive pricing from China pose a threat for the Colour TV industry. Colour TV industry is countering this threat by locating their units in tax free areas and is also focusing on low cost production and high volumes.
 - **Segment wise or Product wise Performance** – The company has been engaged in the business of picture tubes and components and no separate segment has been identified.
 - **Outlook** – The outlook for Colour TV industry is bright due to:-
 - (i) availability of Colour TV at competitive prices under easy finance scheme.
 - (ii) thrust of Government on rural electricity.
 - (iii) present low penetration level of Colour TV in rural areas offers high demand potential.
 As the future of your company is directly related to the growth of Colour TV industry, the outlook for the company is positive.
 - **Risk and Concerns** - The demand for the Black & White TV has declined which is a risk and concern for the company. Pre-empting this situation company has already diversified into Colour TV related activities.
 - **Internal Control Systems and their adequacy** – The company has internal control system and procedures commensurate with its size and nature of business. The internal control systems are supported by internal audit carried out by professional audit firms. These firms carry out extensive audit throughout the year covering almost all the areas of operation. The adequacy and effectiveness of the internal control, as well as compliance with the laid down systems and policies are comprehensively monitored by the internal auditors. The Internal Audit Reports of the Internal Auditors are discussed at the Audit Committee Meetings and appropriate corrective steps have been taken.
 - **Discussions on financial performance with respect to operational performance** – During this year, the company has achieved a net profit before tax of Rs. 112 lakhs as against Rs.99 lakhs in the year 2003-2004. This has been possible due to timely decision taken by the company to start activities related to Colour TV industry.
 - **Material developments in Human Resources/Industrial Relations front, including number of people employed** - Your Company believes in employee's involvement in achieving the organizational objectives and focused its efforts to upgrade the skills of its workforce to take up the challenges in present cutthroat competition. Your company is conscious and committed in providing equal opportunities to the employees to excel in their work and advance themselves in their career depending on their abilities. The company provides in-house training to its employees and maintaining safe and healthy environment for workers working within the factory premises. The company employs 147 workers. As a result of sound Human Resources policies the industrial as well as labour relations have been good and cordial.
- B. Disclosure relating to all material financial and commercial transactions having a potential conflict of interest**
During 2004-2005, no transactions of material nature had been entered into by the company with the management or their relatives that may have a potential conflict with interests of the company.

VI SHAREHOLDERS**Shareholder Grievance Committee**

The Board has constituted Shareholder's Grievance Committee of Directors in order to meet the requirement of Clause 49 of the Listing Agreement of the Stock Exchanges.

A. Composition of Committee

Shareholders' Grievance Committee, comprised of Mr. D. C. Mathur, Chairman, a Non-Executive Director, Mr. Sanjiv Narayan and Mr. V. N. Masaldan. However the Board has delegated the power of redressal of Investor Grievances to Registrar and Share Transfer Agent who processes the investor grievance within the period of 10 days from the date of receipt. The committee oversees the performance of the Registrar and Transfer Agent, and recommend measures for overall improvement in the quality of Investor services.

B. Meetings and Attendance during the year

During the year, Shareholders Grievance Committee met twice. The dates on which the meetings were held are 28.04.2004 and 30.10.2004. All the members were present in both the meetings.

C. Details of queries/complaints received and resolved during the year 2004-2005

This committee monitors complaints of shareholders relating to transfer of shares, non-receipt of balance sheet, dividend, interest etc. The details of Shareholders Grievance are as follows:-

| | |
|---|-----|
| No. of Complaints received during the year | 46 |
| No. of Complaints resolved during the year | 46 |
| Pending Complaints at the end of the financial year | NIL |

Share Transfer Committee

The Board has constituted Share Transfer Committee in order to meet the requirements of Clause 49 of the Listing Agreement of the Stock Exchange.

The Share Transfer Committee comprised of Mr. Anil Gupta, Chairman, a Promoter Director, Mr. V. N. Masaldan and Mr. D. C. Mathur. The Board has designated Ms. Simple Bajaj, Company Secretary as the compliance officer of the Company. The Board has delegated the power of Share Transfer to Registrar and Share Transfer Agent who processes and approves the shares sent for transfer, transmission etc. and normally meets two times in a month.

The Committee oversees the performance of the Registrar and Transfer Agent, and recommends measures for overall improvement in the quality of share transfer.

VII GENERAL BODY MEETINGS

The details of last three Annual General Meetings (AGM) of shareholders held are as under:

| Year | Date | Location | Time | Whether Special Resolution Passed |
|-----------|----------------------------------|---|-----------|-----------------------------------|
| 2001-2002 | 30 th September, 2002 | 139, Malanpur Industrial Area, Distt. Bhiad, (M.P.) | 11:00A.M. | No |
| 2002-2003 | 30 th September, 2003 | 139, Malanpur Industrial Area, Distt. Bhiad, (M.P.) | 11:00A.M. | No |
| 2003-2004 | 30 th September, 2004 | 139, Malanpur Industrial Area, Distt. Bhiad, (M.P.) | 11:00 A.M | Yes |

There was no item which required approval through postal ballot during the year.