



# **KHODAY INDIA LIMITED**

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THIRTY  
SEVENTH  
ANNUAL  
REPORT

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**KHODAY INDIA LIMITED****BOARD OF DIRECTORS**

<b>CHAIRMAN</b>	Shri K.L. RAMACHANDRA
<b>VICE CHAIRMAN &amp; MANAGING DIRECTOR</b>	Shri K.L. SRIHARI
<b>JOINT MANAGING DIRECTOR</b>	Shri K.L.A. PADMANABHASA
<b>EXECUTIVE DIRECTOR</b>	Shri K.L. SWAMY
<b>DIRECTOR</b>	Prof. L.R. VAGALE
<b>DIRECTOR</b>	Major Gen. M.K. PAUL
<b>GROUP PRESIDENT</b>	Shri P.R. ANANDA MURTHY
<b>COMPANY SECRETARY</b>	Shri M.S. MAYYA
<b>AUDITOR</b>	Shri S. SUKUMAR Chartered Accountant Bangalore
<b>BANKERS</b>	Canara Bank Corporation Bank Punjab National Bank Indian Overseas Bank UCO Bank Bank of Maharashtra United Western Bank Limited
<b>REGISTERED OFFICE</b>	No. 54, Kannayakana Agrahara Anjanapura Post, Bangalore - 560 062
<b>ADMINISTRATIVE OFFICE</b>	'Khoday House' 26/2, Sankey Road Cross Bangalore - 560 052

## KHODAY INDIA LIMITED

Notice is hereby given that the THIRTY SEVENTH Annual General Meeting of KHODAY INDIA LIMITED, will be held on Friday, 26<sup>th</sup> December 2003 at 12.00 Noon at 'Brewery House', 7<sup>th</sup> Mile, Kanakapura Road, Bangalore-62, to transact the following business:

### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31-3-2003 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
- 2) To appoint a Director in the place of Sri.K.L.Ramachandra, who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To appoint a Director in the place of Sri.K.L.A.Padmanabhasa, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the Next Annual General Meeting on a remuneration of Rs.3,00,000/- (including Tax Audit) plus out-of-pocket expenses and actual travel expenses in connection with the Company's Audit. Sri.S.Sukumar, Chartered Accountant, Bangalore retires at this meeting and is eligible for re-appointment.

### SPECIAL BUSINESS:

#### 5) ORDINARY RESOLUTION:

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

"RESOLVED that Sri.Lakshmansa Ramachandrasa Vagale, be and is hereby appointed as a Director of the Company whose period of office will be liable to retire by rotation."

#### 6) ORDINARY RESOLUTION:

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

"RESOLVED that Major Gen.M.K.Paul, be and is hereby appointed as a Director of the Company whose period of office will be liable to retire by rotation."

#### 7) ORDINARY RESOLUTION:

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

"RESOLVED that in accordance with the provisions of Sections 198,269, 309 and other applicable provisions, if any of the Companies Act, 1956, the Company hereby accords its approval and consent for the re-appointment of Sri.K.L.Swamy, as a Whole Time Director designated as Executive Director w.e.f. 26.4.2004 for a further period of 5 years on the following terms and conditions:

#### a) REMUNERATION:

SALARY: Rs.4,80,000/- per annum or Rs.40,000/- per month.

COMMISSION: 1% of the net profit.

#### b) PERQUISITES:

- i) Use of car and telephone: Free use of office car with a driver for official use. Free telephone facility at his residence provided long distance personal calls will be paid by him.
- ii) Subscription to Clubs/Associations: Fees of clubs subject to a maximum of Two Clubs. This will not include admission and life membership fees."

"RESOLVED FURTHER that where in any financial year the Company has no profits or its profits are inadequate, the remuneration payable to Sri.K.L.Swamy shall be governed by Section II of part II of Schedule XIII of the Companies Act, 1956 or any statutory enactment thereof."

"RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorised to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this Resolution."

#### 8) SPECIAL RESOLUTION:

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

"RESOLVED that subject to the approval from Securities and Exchange Board of India or from such authorities as may be required, the approval of the Company be and is hereby accorded to the delisting of the shares of the Company from the Stock Exchanges where the Company's Shares are presently listed viz, Bangalore Stock Exchange Ltd, The Stock Exchange Mumbai and the Madras Stock Exchange Ltd, at such time as the Board of Directors (which term shall be deemed to include a committee of the Board or any other person authorised by the Board) may in their absolute discretion, consider.

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appropriate and on the terms and conditions as may be stipulated and mutually agreed to, in the best interest of the Company, after taking into account various factors such as but not limited to the incidence, impact or burden of the cost of listing fees payable to the Stock Exchanges and that the Board of Directors be and are hereby authorised to do and perform all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, desirable or appropriate and execute all such applications, documents and writings as are considered necessary or proper for giving effect to this Resolution."

By order of the Board  
For **KHODAY INDIA LIMITED**

Place: Bangalore  
Date: 26.11.2003

(**M.S.MAYYA**)  
COMPANY SECRETARY

**Notes:**

- A. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
- B. A blank proxy form is sent herewith.
- C. The instrument appointing the proxy should however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
- D. The Register of Members and Share Transfer Books of the Company will remain closed from 19.12.2003 to 26.12.2003 (both days inclusive).
- E. Members are requested to notify immediately any change in their address including Pin code.
- F. Members/Proxies should bring the attendance slip duly filled in for attending the Meeting.
- G. Members who are holding shares in the same names in different Folios are requested to intimate to the Company the Ledger Folios of such shareholdings together with the Share Certificate(s) to enable the company to consolidate all the holdings into one account. The Share Certificate will be returned to the Members, after endorsement in due course.
- H. As per the provisions of the amended Companies Act, 1956, facility for making nominations is now available for members in respect of the shares held by them. Nomination forms can be obtained from the Shares Department of the Company.
- I. The Company, consequent upon the introduction of the Depository System [DS], entered into agreements with National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL]. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.
- J. Pursuant to Rule 4A of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 the dividend declared for the year 31-3-1995 and remaining unpaid/ unclaimed has been transferred to the General Revenue Account of the Central Government.
- K. Members who have not received their dividend paid by the company for the year 1998-99 are requested to check with the companies Share Department. Members are requested to note that in terms of Section 205C of the Companies Act, 1956 any dividend unpaid/unclaimed for a period of 7 years from the date these first became due for payment are required to be transferred to the Central Government to the Credit of the Investor Protection Fund. Thereafter, no claim shall be entertained in respect of the dividend transferred to the Fund.
- L. The relative explanatory statement pursuant to Section 173 of the Companies Act, 1956, in respect of business under item Nos: 5,6,7 and 8 above is annexed hereto.

By order of the Board  
For **KHODAY INDIA LIMITED**

Place: Bangalore  
Date: 26.11.2003

(**M.S.MAYYA**)  
COMPANY SECRETARY

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

**ITEM NO: 5**

-Sri.Lakshmansa Ramachandrasa Vagale was appointed as an Additional Director, at the meeting of the Board of Directors of the Company held on 31-7-2003 pursuant to Section 260 of the Companies Act, 1956 and Article 30 of the Articles of Association and whose term expires

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at the Annual General Meeting scheduled to be held on 26-12-2003 and for the appointment of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of a Director.

The Directors recommend the resolution for the approval of the Shareholders.

None of the Directors of the Company is deemed to be interested in the resolution so far as his appointment is concerned.

### ITEM NO: 6

Major Gen.M.K.Paul was appointed as an Additional Director, at the meeting of the Board of Directors of the Company held on 31-7-2003 pursuant to Section 260 of the Companies Act, 1956 and Article 30 of the Articles of Association and whose term expires at the Annual General Meeting scheduled to be held on 26-12-2003 and for the appointment of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of a Director.

The Directors recommend the resolution for the approval of the Shareholders.

None of the Directors of the Company is deemed to be interested in the resolution so far as his appointment is concerned.

### ITEM NO: 7

The Shareholders of the Company at the 32<sup>nd</sup> Annual General Meeting held on 28<sup>th</sup> September 1998 re-appointed Sri.K.L.Swamy, as Executive Director for a period of Five Years w.e.f. 26.4.1999. The term of his appointment will expire on 25.4.2004. The Board of Directors at their meeting held on 26-11-2003 approved the re-appointment of Sri.K.L.Swamy as Whole Time Director subject to the approval of the Shareholders for a further period of 5 years.

The Directors recommend the resolution for the approval of the Shareholders.

Sri.K.L.Swamy is interested in the resolution. Sri.K.L.Ramachandra, Sri.K.L.Srihari and

Sri.K.L.A. Padmanabha being relatives of Sri.K.L.Swamy are deemed to be interested in the resolution.

### ITEM NO: 8

The members are aware that the Equity shares of the Company are presently listed on the following Stock Exchanges viz, The Bangalore Stock Exchange Ltd, The Stock Exchange Mumbai and Madras Stock Exchange Ltd.

Recently, Khodayss Systems Ltd and Khoday India Limited had approached the Hon'ble High Court of Karnataka with a scheme of amalgamation of Khodayss Systems Limited with Khoday India Ltd and the High Court was pleased to approve the amalgamation. As per the scheme of amalgamation, the shareholders of Khodayss Systems Limited have been allotted 23076923 equity shares of Rs. 10/- each in the proportion of 10:13 and consequent to amalgamation the paid up capital of Khoday India Limited increased to Rs.37.59 Crores. The promoters' holdings in the company has increased to 91.27% after amalgamation.

The public shareholding after the amalgamation of companies has fallen below 10% of the paid up capital. Now the company proposes to delist the shares on the Stock Exchanges and in this regard we have requested SEBI to exempt the company from applicability of SEBI guidelines for voluntary delisting of shares on the stock exchanges for the following reasons:

1. The minority shareholders interest will be protected by a suitable exit option scheme.
2. The volume of trading of shares of our Company on the Stock Exchanges is very thin. Further the shares of our company are intermittently quoted with low volume of trading on Mumbai Stock Exchange.

In view of the foregoing, the Board has proposed to seek the approval of SEBI to delist the shares from the above stock exchanges.

The members are now requested to pass the resolution for the reasons cited above.

None of the Directors of the company are interested in the above resolution.

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**ANNEXURE TO THE AGM NOTICE**

Information pursuant to Clause 49 of the Listing Agreement regarding appointment of new Directors or re-appointment of Directors.

## 1. Name : Sri.K.L.Ramachandra

Date of Birth and Age: 13-12-1930 - 72 YEARS

Qualification : Industrialist

Date of Appointment: 28-9-1965

Specialised Expertise: General Management

Sri.K.L.Ramachandra is a Promoter Director of the Company.

Sri.K.L.Ramachandra is a Director of the following companies:

Elkay Dredging Co Ltd, Forest Resort (Bandipur) Ltd, Himalaya Distilleries Ltd, Khoday's Breweries Ltd, L K Polyfibre Ltd, National Distilleries Ltd, Surya Watch Industries Ltd, Tiger Breweries Ltd and United Glass Bottles Manufacturing Company Ltd.

Chairman/ Member of the Committees : MEMBER: Audit Committee, Khoday India Limited. CHAIRMAN: Shareholders/Investors Grievance Committee, Khoday India Limited.

## 2. Name : Sri.K.L.A.Padmanabhasa

Date of Birth: 30-12-40 - 62 YEARS

Qualification : Industrialist

Date of Appointment : 28-02-1969

Specialised Expertise : General Management

Sri.K.L.A.Padmanabhasa has been a Director on the Board of the Company since 28-02-1969.

Sri.K.L.A.Padmanabhasa is a Director of the following companies:

Khoday's Breweries Ltd, Khoday's International Ltd, Khoday's Systems Ltd, Khoday's Technologies Ltd, L K Power Corporation Ltd, Narasimha Sugars Ltd, National Distilleries Ltd, Tiger Breweries Ltd, United Glass Bottles Manufacturing Company Ltd and Wescopower Generation Ltd.

Chairman/ Member of the Committees: None

## 3. Name : Sri.K.L.Swamy

Date of Birth : 18-9-1946 - 57 YEARS

Qualification : Industrialist

Date of Appointment: 28-02-1969

Specialised Expertise : General Management

Sri.K.L.Swamy has been a Director on the Board of the Company since 28-02-1969.

Sri.K.L.Swamy is a Director of the following companies:

Forest Resort (Bandipur) Ltd, Himalaya Distilleries Ltd, Khoday's Breweries Ltd, Khoday's Systems Ltd, Khoday's Technologies Ltd, L K Power Corporation Ltd, River Resort Ltd, Tiger Breweries Ltd and Wescopower Generation Ltd.

Chairman/Member of the Committees: MEMBER: Shareholders/Investors Grievance Committee, Khoday India Limited. MEMBER: Share Transfer Committee, Khoday India Limited.

## 4. Name : Sri.Lakshmansa Ramachandrasa Vagale:

Date of Birth : 5-6-1922 - 81 YEARS

Qualification: B.Sc, M.Sc, B E (Civil),

Date of Appointment: 31-07-2003

Specialised Expertise : Engineering Town Planning, and Housing, Chief Technical Advisor and Project Manager with Project Management and Financial Management as his responsibility for large U.N. Project.

Other Directorships: None

Chairman/Member of the Committee : CHAIRMAN: Audit Committee Meeting, Khoday India Limited.

## 5. Name : Major Gen.M.K.Paul:

Date of Birth : 01-04-1935 - 68 YEARS

Qualification: BE (Mech), Civil Engineering

Date of Appointment:31-07-2003

Specialised Expertise : Controller in National Institute of Advanced Studies in Bangalore

Other Directorships: None

Chairman/Member of the Committees: MEMBER: Audit Committee Meeting, Khoday India Limited.

**KHODAY INDIA LIMITED****REPORT OF THE DIRECTORS TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting the 37<sup>th</sup> Annual Report on the working of your Company and the Audited Statement of Accounts for the year ended 31st March 2003:

**FINANCIAL HIGHLIGHTS:**

(Rupees in Lakhs)

Particulars	2002-2003	2001-2002
1. Gross Income	18400.10	15770.43
Less: Excise Duty	5355.87	3897.01
2. Net Income	13044.23	11873.42
3. Profit Before Tax	117.74	597.42
4. Provision for Taxation		
Current Tax	9.30	205.00
Deferred Tax	(188.27)	15.82
5. Profit After Tax	296.71	376.60
ADD :Balance Brought forward	159.08	321.21
LESS: Balance absorbed on Amalgamation	(576.64)	-
	(120.85)	697.81
LESS:Provision for taxation for earlier years	72.03	203.61
6. Prior year Adjustments	(40.20)	30.98
7. Depreciation for earlier years	1.54	4.14
8. Transfer to Debenture Redemption Reserve	-	300.00
9. Balance carried forward	(154.22)	159.08

**DIVIDEND:**

Your Directors express their inability to declare dividend for the year under review.

**REVIEW OF PERFORMANCE:**

The net income of the Company during the year under review was Rs130.44 Crores compared to Rs.118.73 Crores in the previous year, representing an increase of Rs.11.71 Crores.

Taking into consideration the present performance of the Company, your Directors hope that the sales turnover of the Company is expected to be better in the years to come.

**AMALGAMATION**

Your Directors have taken a major decision during the year under review for amalgamating the sister company Khodayss Systems Ltd with the Company in order to diversify the activities of the Company by carrying on the business of Information Technology. During the year under review, the company had not commenced the Call Centre operations of M/S Khodayss Systems Limited which has been merged with the Company with effect from 01-04-2002.

Pursuant to the Scheme of Amalgamation as approved by the Hon'ble High Court of Karnataka by its order dated 22.8.2003, the Company issued shares of Rs.10/- each at par credited as fully paid up for every 13 equity shares of Rs.10/- each as fully paid up held by the shareholders of Khodayss Systems Ltd.

The assets and liabilities of the transferor company have accordingly been merged with the assets & liabilities of the company and have been reflected in the accounts of the company for the year ended 31-3-2003.

**FIXED DEPOSITS:**

The total amount of deposits as on 31<sup>st</sup> March 2003 was Rs 99,00,000. All the matured deposits were re-paid on the due dates.

**DIRECTORS:**

Your Directors regret to inform you that Dr.S.M.Patil, Director of the company expired on 13-7-2003. In Dr.Patil's passing away The House of Khoday has lost a Good Friend, and Khoday India Limited a Strong Supporter.

Sri N.Lakshman Rau, Director of the Company submitted his resignation to the post of Director w.e.f. 31-7-2003 due to personal reason.



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Your Directors wish to place on record their appreciation for the valuable services rendered by them during their tenure of office.

In accordance with the provisions of the Companies Act, 1956, and the Articles of Association of the Company, Sri.K.L.Ramachandra, Director and Sri. K.L.A. Padmanabhasa, Director retire by rotation and being eligible, offer themselves for re-appointment.

Sri.Lakshmansa Ramachandrasa Vagale and Major Gen.M.K.Paul were appointed as Additional Directors of the Company from 31-7-2003. In accordance with Section 260 of the Companies Act, 1956, they vacate office at the Annual General Meeting. The Company has received notices under Section 257 of the Act proposing Sri.Lakshmansa Ramachandrasa Vagale and Major Gen.M.K.Paul for appointment as Directors.

In accordance with the provisions of the Companies Act, 1956, and the Articles of Association of the Company, Sri.K.L.Swamy Director being eligible, offers himself for re-appointment for the office of Whole Time Directorship.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, IF ANY:**

The information required to be furnished Under Section 217(1)(e) of the Companies Act, 1956, is annexed.

#### **PARTICULARS OF EMPLOYEES:**

Particulars required to be furnished under the Companies (Particulars of Employees) Rules, 1975 and Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, to the extent applicable to the Company are given in the Annexures.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- i. that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2003, the applicable accounting standards had been followed along with proper explanation relating to material departures:
- ii. that the directors had 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

or loss of the company for the year under review;

- iii. that 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;
- iv. that the directors had prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2003 on a going concern basis.

#### **CORPORATE GOVERNANCE:**

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's Auditors confirming the compliance of conditions on Corporate Governance as stipulated in the said clause 49 of the Listing Agreement is annexed thereto.

#### **AUDITORS:**

Sri.S.Sukumar, Chartered Accountant, Bangalore retires and is eligible for re-appointment.

#### **REMARKS OF AUDITORS:**

The remarks made by the Auditors in their Audit Report are considered by the Board of Directors and the following observations are made:

#### **Non-confirmation of Balances:**

The Company has been writing to its debtors and creditors and only a few of them have been responding so far. The Company is pursuing this matter and hopes to reconcile all the accounts and also have confirmation of balances from the respective parties.

#### **INDUSTRIAL RELATIONS:**

Industrial Relations were cordial throughout the year under review. Your Directors appreciate the dedicated services and co-operation of employees at all levels.

#### **ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation of the continued assistance and co-operation from the State Government, Bankers, Financial Institutions, Business Associates and Company's Customers.

For and on behalf of the Board of Directors  
For KHODAY INDIA LIMITED

Date: 26.11.2003  
Place: Bangalore

K.L.RAMACHANDRA  
Chairman



**KHODAY INDIA LIMITED****Annexure "A" to Director's Report**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956

**FORM - A (See Rule 2)****1. Conservation of Energy.**

PARTICULARS	31-03-2003		31-03-2002	
	Paper	Glass	Paper	Glass
<b>A. POWER &amp; FUEL CONSUMPTION</b>				
I. Electricity				
(a) Units Purchased KWH	600192	5433732	763752	4869528
Amount (Rupees in '000s)	5,276	24,726	4,904	20,599
Rate per Unit (in Rs.)	8.79	4.55	6.42	4.23
(b) Own Generation :				
Through Diesel Generators				
Units Produced KWH	2,870	308066	21960	680000
Rate per Unit (in Rs.)	22.61	8.90	8.70	5.81
<b>B. CONSUMPTION PER UNIT OF PRODUCTION</b>				
Electricity KWH (per M.T)	1023.56	643	1055.18	556

**FORM - B (See Rule 2)****2. TECHNOLOGY ABSORPTION**

The question of technology absorption does not arise

**3. Foreign Exchange Earnings & Out Go**

[Rupees in Thousands]

PARTICULARS	31-03-2003	31-03-2002
A. FOREIGN EXCHANGE OUT GO	43,256	9,885
B. FOREIGN EXCHANGE EARNINGS	19,769	938

**Annexure "B" to Directors' Report**

**INFORMATION REQUIRED AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31<sup>ST</sup> 2003:**

1) NAME	:	LEHAR SARMA
2) DESIGNATION	:	VICE-PRESIDENT - MARKETING
3) REMUNERATION (RS. P.M.)	:	3,45,577/-
4) QUALIFICATION	:	MBA (Sydney), B.A. (Hons)
5) EXPERIENCE (YRS.)	:	7 YEARS 4 MONTHS
6) COMMENCEMENT OF EMPLOYMENT	:	1-2-2002
7) AGE (YRS)	:	29 YEARS
8) PARTICULARS OF LAST EMPLOYMENT/ EMPLOYER/ LAST POST AND PERIOD FOR WHICH POST HELD :	:	2 YEARS GLOBAL BUSINESS DIRECTOR AIR INFOTECH, GURGAON

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## CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Khoday India Limited believes that good Corporate Governance is essential to achieve long term Corporate Goals and to enhance shareholders' value. Your company believes in transparency in dealing, dissemination of information with due disclosures, strict adherence to Statutory and regulatory prescription and increasing accountability to its shareholders, bankers and customers.

## 2. BOARD OF DIRECTORS:

A) The Board of Directors of the company consists of 6 members as on 31-3-2003 comprising:

- a) Three Executive Directors in the whole-time employment of the company.
- b) Three Non- Executive Directors (two independent Directors)

B) Attendance of each Director at the Board of Directors' Meetings:

In all 8 Board Meetings were held during the financial year 2002-2003 on 30-4-2002, 31-7-2002, 6-9-2002, 30-9-2002, 31-10-2002, 31-1-2003, 12-2-2003 and 27-3-2003.

The attendance of the Directors is as under:

NAME	POSITION	NO.OF BOARD MEETINGS ATTENDED	ATTENDANCE AT THE PREVIOUS AGM
1. SRI.K.L.RAMACHANDRA	Promoter		
	Non-Executive	6	P
2. SRI.K.L.SRIHARI	Promoter		
	Executive	8	P
3. SRI.K.L.A.PADMANABHASA	Executive	7	P
4. SRI.K.L.SWAMY	Executive	7	P
5. SRI.N.LAKSHMAN RAU *	Non-Executive		
	Independent	8	P
6. DR.S.M.PATIL **	Non-Executive		
	Independent	6	P

\* Resigned with effect from: 31-7-2003

\*\* Expired on 13-7-2003

(C) Details about the Directors on the Boards/Committees:

NAME OF THE DIRECTOR	DIRECTORSHIPS HELD IN OTHER PUBLIC LIMITED COMPANIES	MEMBERSHIP HELD IN COMMITTEES
1. SRI. K.L. RAMACHANDRA	12	2
2. SRI. K.L. SRIHARI	13	2
3. SRI. K.L.A. PADMANABHASA	11	-
4. SRI. K.L. SWAMY	11	2
5. SRI.N.LAKSHMAN RAU *	1	1
6. DR. S.M. PATIL **	4	1

\* Resigned with effect from: 31-7-2003

\*\* Expired on: 13-7-2003