



KRITI INDUSTRIES (INDIA) LIMITED  
23RD ANNUAL REPORT 2012-2013

**D**

WISDOM  
FOCUS LOYALTY  
DEDICATION FOCUS  
DETERMINATION ALERTNESS  
CREATIVITY HUMILITY  
WISDOM ATTITUDE  
HARD WORK PASSION ENDURANCE  
FOCUS PERSUASIVE COURAGE  
ATTITUDE PERSEVERANCE  
SELF-CONFIDENCE FOCUS LOYALTY  
ENDURANCE COMMITMENT  
DEDICATION FOCUS LOYALTY  
CREATIVITY FOCUS DILIGENCE  
PERSEVERANCE HARD WORK  
ENDURANCE WISDOM  
LOYALTY FOCUS PASSION  
DILIGENCE ATTITUDE  
FOCUS

**RIGHT.**



## **Board of Directors**

1. Shri Shiv Singh Mehta - Managing Director
2. Smt. Purnima Mehta - Executive Director
3. Dr. Swatantra Singh Kothari
4. Shri Rakesh Kalra
5. Shri Manoj Fadnis
6. Dr. Somnath Ghosh

## **Auditors**

R.D. Asawa & Co.

Chartered Accountants

403 Alankar Point, Geeta Bhavan Square

A. B. Road, Indore - 452 001 (M.P.)

## **Bankers**

State Bank of India

State Bank of Travancore

IDBI Ltd.

Bank of India

State Bank of Hyderabad

## **Registered Office**

Mehta Chambers, 34, Siyaganj, Indore - 452007 (M.P.)

## **Corporate Support Center**

Chetak Chambers, 4th Floor, 14 RNT Marg,  
Indore - 452001 (M.P.)

## **Share Transfer Agent**

M/s Ankit Consultancy Pvt. Ltd.

60, Electronics Complex,

Pardeshipura,

Indore - 452010 (M.P.)



## NOTICE

**NOTICE IS HEREBY GIVEN** that the 23<sup>rd</sup> **Annual General Meeting** of the Members of **KRITI INDUSTRIES (INDIA) LIMITED** will be held on **Saturday the 14<sup>th</sup> day of September, 2013 at 4:00 P.M.** at Corporate Support Center of the company situated at 4<sup>th</sup> Floor Chetak Chambers, 14 R. N. T. Marg, Indore (M.P.) - 452001 to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet as at **31<sup>st</sup> March, 2013** and the Profit and Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To declare Dividend for the Financial Year ended on **31<sup>st</sup> March, 2013.**
3. To appoint a Director in place of Dr. Somnath Ghosh, who is liable to retire by rotation, and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

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

**"RESOLVED THAT** pursuant to provisions of Sections 269, 309, 314, 316 read with schedule XIII thereof (including any statutory modification or re-enactment thereof, for the time being in force) and other applicable provisions, if any, of the Companies Act 1956, the members of the company hereby accord their approval for the re-appointment of Mr. Shiv Singh Mehta who is already the Managing Director of another company, namely Kriti Nutrients Limited, as the Managing Director of the company for a further period of three years with effect from 1<sup>st</sup> October, 2013 on the remuneration and terms and conditions mentioned in the explanatory statement annexed hereto.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to increase, reduce, alter or vary the terms of remuneration in such manner from time to time as the Board may deem fit within the limits specified in schedule XIII of the said Act, as existing or as amended, modified or re-enacted from time to time.

**RESOLVED FURTHER THAT** pursuant to Section

198 and all other applicable provisions of the Companies Act, 1956, the remuneration as set out in the enclosed explanatory statement be paid as minimum remuneration to Mr. Shiv Singh Mehta notwithstanding that in any financial year of the company during his tenure as Managing Director, the company has made no profit or profits are inadequate."

**By order of the Board,**

**Place: Indore**  
**Date: 26<sup>th</sup> July, 2013**

**Shiv Singh Mehta**  
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 the proxy need not be a member. Proxy in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.**
2. The Company has already notified closure of Register of Members and Share Transfer Books from Friday 06<sup>th</sup> September, 2013 to Saturday 14<sup>th</sup> September, 2013 (both days inclusive) for the determining the names of members eligible for dividend on equity shares, if declared at the meeting.
  - (a) The Dividend on equity shares if declared at the meeting will be credited/dispatched between 16<sup>th</sup> September, 2013 to 20<sup>th</sup> September, 2013, to those members whose names shall appear on the Company's Register of Members on 05<sup>th</sup> September, 2013 in respect of the shares held in demat form, the dividend will be paid to members, those names are furnished by NSDL/CDSL as beneficial owners as on that date.
3. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates, such changes are to be advised only to the depository participant of the members.
4. All the shareholder are requested to opt for ECS facility. For shares held in physical form he/ she may send the duly filled ECS MANDATE FORM annexed to the last page of the Annual report by enclosing a blank cancelled cheque for the purpose of noting the MICR details to Ankit Consultancy Private Ltd., 60 Electronic Complex, Pardeshipura, Indore-452010



In case the investor is holding the shares in demat form, such investor may contact his/her Depository Participant for recording the ECS mandate.

The ECS mandate details provided by an investor will be used for payments in respect of shares held by such investor.

5. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the company.
6. Relevant documents referred into the accompanying notice are open for inspection by the members at the Registered office or Corporate Support Center of the Company on all working days between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
7. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
8. Members desires of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be downloaded from the website of the Ministry of Corporate affairs.
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the Companies and has

issued circulars stating that service of notice/documents including annual report can be sent by email to its members. To support these green initiative of the government in full measures, members who have not registered their email address, so far are requested to register their email address so that they can receive the Annual Report and other communications from the company electronically.

11. Brief resume of directors those proposed to be appointed, nature of their expertise in specific functional areas, names of companies, in which they hold directorship, shareholding and relationship between directors inter-se stipulated under Clause No.49 of the Listing Agreement with the stock exchanges, or provided here under:

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

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item No. 5 of the accompanying Notice:

**Item No. 5**

The existing tenure of Mr. Shiv Singh Mehta as Managing Director of the company is expiring on 30th September, 2013. Upon the recommendation of the Remuneration Committee of the board, the Board of Directors at its meeting held on 26<sup>th</sup> July, 2013 has passed the resolution for his re-appointment as the Managing Director w.e.f. 1<sup>st</sup> October, 2013 for the approval of member in ensuing Annual General Meeting of the company on the following terms and conditions.

- a) Salary: Rs. 250000/- per months
- b) Perquisites and allowances: Rs. 50000/- per month.  
The perquisites and allowances shall include House Rent Allowances, Medical Allowances and Leave Travel Concession.
- c) Commission: Payable for each financial year subject to the overall maximum ceiling of 5% of the net profit as computed in accordance with the provisions of Section 349 & 350 of the Companies Act, 1956 inclusive of salary, perquisites and allowances as per (a) and (b) above.



- d) Reimbursement and other facilities not considered as perquisites
- Reimbursement of expenses incurred for traveling, boarding and lodging during business trips, expenses of telephone at residence and cell phone,
  - Provision of car with driver,
  - Payment of club fees.
- e) Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the tenure, the company has no profit or its profits are inadequate, the remuneration as set above in (a) & (b) shall be the minimum remuneration payable.
- f) No sitting fees shall be payable for attending the Board meeting or committee meeting thereof. The notice and explanatory statement may be treated as an abstract of the terms and conditions of appointment and remuneration payable to Mr. Shiv Singh Mehta, as required under section 302 of the Companies Act, 1956.
- Mr. Shiv Singh Mehta, Mrs. Purnima Mehta and Mr. S.S. Kothari being relatives of Mr. Shiv Singh Mehta may be deemed to be interested in the resolution.

**Additional information relevant for the approval of the remuneration payable to Mr. Shiv Singh Mehta**

**1. General Information**

- Nature of Industry: The Company is primarily pipes and fittings made of plastics such as PVC, PE, etc.
- Date or expected date of commencement of commercial production: The company was incorporated on 12<sup>th</sup> March, 1990 and the commercial production is carried out since then.
- Financial Performance as per Audited Financial Results for the year ended 31<sup>st</sup> March, 2013 and for the year ended 31<sup>st</sup> March, 2012 are

Particular	(Rs. in Crores)	
	31.03.2013	31.03.2012
Income from operation	355.90	308.21
Profit before depreciation	11.96	11.85
Profit Before Tax	7.75	8.22
Profit After Tax	5.01	5.58

- Export performance:

\* Foreign exchange earned for the financial year ended 31<sup>st</sup> March, 2013 Rs. Nil.

\* Foreign exchange expenditure for the financial year ended 31<sup>st</sup> March 2013 Rs. 20.85 Lacs

**2. Information about the appointee:**

- Background Details: Mr. Shiv Singh Mehta is a B.E. and M.B.A. He has over 36 years of diverse experience in the Corporate Sector.
- Past Remuneration drawn (during 2012-13): Rs. 43.84 Lacs
- Job Profile and suitability: Mr. Shiv Singh Mehta exercises substantial powers of management, subject to the superintendence, control and direction of the Board of Directors/ Chairman of the Company. He is responsible for the operations and the affairs of the Company. Taking into consideration his qualifications and expertise, Mr. Shiv Singh Mehta is best suited for the responsibilities assigned to him by the Board of Directors.
- Remuneration Proposed: As above
- Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. The remuneration proposed is commensurate with the remuneration packages paid to similar senior level appointees in other companies.

**3. Other Information**

- Steps taken or proposed to be taken for improvement of profitability. The company has taken the following steps for improvement in performance during the past Two years.
  - \* Expansion of Sales Network & Brand Promotion.
  - \* Focus on Automation to reduce cost.
  - \* Training program for employees.
  - \* Continuous product improvement
- Expected increase in productivity and profits in measurable terms. The above steps taken by the company have resulted in increase in company's profit. The improvement is expected to continue in current year and beyond.

Your Board proposes resolutions, as set out in Item No. 5 as a Special resolution

**Details of the directors seeking reappointment at the Annual General Meeting**

<b>Name of the Director</b>	<b>Mr. Shiv Singh Mehta</b>	<b>Dr. Somnath Ghosh</b>
Date of Birth	03.03.1954	31.05.1953
Date of Appointment	12.03.1990	03.03.2009
Expertise in specific area	Finance, Marketing, Technical and Business Administration	Human Resource Management, Organizational Design and Institutional development
Qualification	B.E., M.B.A.	M.A., M.Phil, Ph.D.
List of Outside Directorship held	Kriti Nutrients Ltd. Kriti Auto and Engineering Plastics Private Limited Sakam Trading Private Limited Rajratan Global Wire Limited Chetak Builders Private Limited Organization of Plastics Processors of India	Kriti Nutrients Limited
Chairman/ Member of the committees of the Board of Directors of the Company	Chairman: Financial Committee Member: Investor Grievances Committee	Chairman : Investor Grievances Committee Member : Remuneration Committee
Chairman / Member of the Committees of Director of other companies in which he/she is a Director		
(a) Audit Committee	None	None
(b) Investors' Grievance Committee	Kriti Nutrients Limited	Kriti Nutrients Limited
(c) Remuneration Committee	None	Kriti Nutrients Limited
No. & Percentage of Shares held	No. of Shares: 2028799 Percentage of Shares held: 4.09%	Nil



## DIRECTORS' REPORT

Your Directors have the pleasure in presenting the 23rd Annual Report together with Audited Accounts of the Company for the year ended on 31st March, 2013.

### FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2013 is summarized below:

(Rs. in Lacs)		
PARTICULARS	Current Year 2012-13	Previous Year 2011-12
Total Income	35590.98	30821.78
Profit before Interest, Depreciation & Taxes	2557.20	2362.05
Less: Interest	1361.58	1176.96
Profit before depreciation & taxes	1195.62	1185.09
Less: Depreciation	421.04	362.16
<b>Profit/ (Loss) Before Tax</b>	<b>774.58</b>	<b>822.93</b>
Provision for Taxation	272.78	264.44
<b>Net Profit/(Loss)</b>	<b>501.80</b>	<b>558.49</b>
Add: Balance Brought Forward	651.60	679.58
Profit available for Appropriation	1153.40	1238.07
Proposed Dividend	74.41	74.41
Corporate Dividend Tax	12.07	12.07
Transferred to General Reserve	100	500
<b>Balance Carried over to Balance Sheet</b>	<b>966.92</b>	<b>651.60</b>

### YEAR IN RETROSPECT

The Company has achieved total Turnover of Rs. 35590.98 lacs and Profit before Tax Rs. 774.58 lacs and Profit after Tax Rs. 501.80 lacs.

During the year Company has focused on automation of manufacturing operations and movement of goods to reduce the operational cost.

Company has also expanded its marketing network for institutional sales, its expected that the same will further contribute substantial growth in current year.

### DIVIDEND:

Your directors are pleased to recommend a dividend of 15% for the year ended 31st March, 2013 on 49603520 equity shares of Rs. 1/- each aggregating to Rs. 74.41 Lacs.

### CORPORATE GOVERNANCE:

The Company has complied with the mandatory provisions on Corporate Governance as prescribed in the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is included as a part of the Annual Report along with the Auditors' Certificate on its compliance.

### SECRETARIAL COMPLIANCE CERTIFICATE:

In pursuance of Section 383A of the Companies Act, 1956, a certificate issued by Company Secretary in Whole time practice is enclosed herewith and forming part of this report.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that: -

1. In the preparation of Annual Accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and have made judgment and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at end of the financial year ended 31st March, 2013 and of the Profit and Loss Account of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the Annual Accounts for the year ended 31st March, 2013 on a going concern basis.

### SUBSIDIARY COMPANY:

Kriti Auto & Engineering Plastics Private Limited, wholly owned subsidiary of the company, achieved gross turnover of Rs. 1460.34 lacs. Due to recession in automobile sector, company has incurred a net loss of Rs. 127.90 lacs during the year. Efforts are being to explore value added products. It is expected that the situation will improve in current year.

The statement pursuant to Section 212 of the Companies Act, 1956 containing the details of the Company's subsidiary is attached. The copies of the Balance sheet, Profit & Loss account, Director's Report, Auditor's Report etc. are attached herewith.

### DIRECTORS:

Dr. Somnath Ghosh retires by rotation at the 23rd Annual General Meeting and being eligible offers himself for re-appointment.

### AUDITOR AND AUDITOR REPORT

M/s. R. D. Asawa & Co., Chartered Accountant, Indore the Auditor of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The notes on Financial Statements referred to in the Auditors Report are self explanatory and do not call for any further comments.

### COST AUDITOR:

Mr. S.P.S. Dangi proprietor of M/s S.P.S. Dangi, Cost Auditor was appointed as Cost Auditor for the Financial Year 2012-13. Mr. S.P.S. Dangi being eligible has expressed his willingness to be reappointed as Cost Auditor of the company for the Financial Year 2013-14.

### STATUTORY INFORMATION:

#### PUBLIC DEPOSIT

The company has not received/accepted any deposits from public during the year under review.



## PARTICULARS OF EMPLOYEES

The Company does not have on its roll any employee drawing remuneration attracting provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## TRANSFER OF AMOUNT TO INVESTOR EDUCATION & PROTECTION FUND

Pursuant to provisions of Section 205A(5) and 205C of the Companies Act, 1956 the company has transferred the unpaid or unclaimed dividends for the financial year 2004-05, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 the company has uploaded the details of unpaid and unclaimed amounts lying with the company as on 22nd September, 2012 (date of last Annual General Meeting) on the Ministry of Corporate Affairs website.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Information as per section 217(1)(e) read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 is annexed hereto and forms part of this report.

## INDUSTRIAL RELATION

Your directors' wish to place on record their appreciation for the contribution made by the company's workforce at all levels of operations for the success and progress of the company.

## ACKNOWLEDGEMENT

Your Directors place on record their appreciation of the co-operation and assistance extended by the Central/State Government and Banks. The Directors also convey their sincere thanks for the continued support given to the Company by the esteemed shareholders, suppliers, dealers and valued customers.

**FOR & ON BEHALF OF THE BOARD,**

**Place: Indore**  
**Date: 26<sup>th</sup> July, 2013**

**Shiv Singh Mehta**  
**Managing Director**

# ANNEXURE

Information as per Section 217(1) (e) read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013.

## A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken:

- (1) Energy conservation devices have been installed and the equipments are maintained properly to reduce energy consumption.
- (2) New systems are being devised to reduce electric power, fuel and water consumption.

(b) Additional Investment and proposals for reduction of consumption of energy:

By relocating, modifying the available equipment, energy, conservation measures are being implemented and major investments have not been made for equipments so far.

(c) Impact of above measures:

The above measures have resulted in energy saving and subsequent decrease in the cost of production.

(d) Information in respect of Pipes & Fittings is not applicable under Section 217(1)(e) of the Companies Act, 1956.

## FORM - B

### (A) (I) Research and Development (R & D)

Specific areas in which R & D is being carried out by the Company.

The company undertakes up gradation of its products as a continuous process. New products and process equipments

have been developed resulting in improved efficiency of operations.

### (II) Benefits derived

With the installation of various additional equipments it was possible to achieve consistency in production and quality of products.

### (B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company does not have any imported technology and hence the details required to be given for the imported technology is not applicable.

### (C) FOREIGN EXCHANGE EARNING & OUTGO

(Rs. In Lacs)

	2012-13	2011-12
1. Earning		
FOB rate of Export	Nil	Nil
2. Outgoing		
a) CIF Value of Imports	4626.92	3237.36
b) Expenditure in Foreign Currency	20.85	28.89





## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Kriti group is committed to the adoption of best governance practices. The company's vision document spells out a direction for the policies and procedures which ensure long term sustainability. Value creation for stakeholders is thus a continuous endeavor at 'Kriti'. On the same lines the Company has always followed fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and the society at large.

In harmony with this philosophy, the Company relentlessly strives for excellence by benchmarking itself with esteemed companies with good corporate governance. Your company is compliant with all the provisions of Clause 49 of the Listing Agreement of the Stock Exchange. The details of compliance are as follows:

### I. BOARD OF DIRECTORS

#### Composition of Board

The Board of Directors of the Kriti Industries (India) Limited consists of an optimum combination of executive, non-executive and independent directors, to ensure the independent functioning of the board. The Board consists of six Directors. Out of which four are non-executive directors. Three out of the four non-executive directors are independent.

The Board of Directors has an adequate representation of Professional, Qualified, Non-Executive and Independent Directors. Decisions at the Board and Committee meetings are taken unanimously.

#### Directors retiring by rotation and seeking for Re-appointment

Dr. Somnath Ghosh is the director liable to retire by rotation and being eligible offer himself for re-appointment.

As required under Clause 49 of the Listing Agreement, information such as brief resume, nature of expertise and other directorships is given here below:

Name of the Director	Dr. Somnath Ghosh
Date of Birth	31.05.1953
Date of Appointment	03.03.2009
Expertise in specific area	Human Resource Management, Organizational Design and Institutional Development
Qualification	M.A., M.Phil, Ph.D.,
List of Outside Directorship held	Kriti Nutrients Limited
Chairman/ Member of the committees of the Board of Directors of the Company	Chairman: Investor Grievances Committee
Chairman / member of the Committees of Director of other companies in which he/she is a Director	Member : Remuneration Committee
(a) Audit Committee	--
(b) Investors' Grievance Committee	Kriti Nutrients Limited
(c) Remuneration Committee	Kriti Nutrients Limited
No & Percentage of Shares held	Nil

The composition of the Board of Directors and the number of board committee in which they are chairman/ member as on 31.03.2013 are as under:

Name	Category	No. of Directorship in other Public Limited Companies	No. of Committee position held in other Public Limited Companies	
			Chairman	Member
Shri Shiv Singh Mehta	Promoter & Managing Director	Two	Two	Two
Smt. Purnima Mehta	Promoter & Executive Director	One	Nil	Two
Dr. S. S. Kothari	Non-Executive Director	Three	Nil	Nil
Shri Manoj Fadnis	Independent & Non-Executive Director	Two	One	Three
Shri Rakesh Kalra	Independent & Non-Executive Director	One	Nil	Nil
Shri Somnath Ghosh	Independent & Non-Executive Director	One	Nil	Two



### **Board Procedure**

During the year under review, four meetings of the Board of Directors were held. The dates of the meetings were decided in advance and key information was placed before the Board. The Board of Directors meetings were held on 26th May 2012, 28th July 2012, 27th October 2012 and 09th February 2013.

### **Attendance record of Directors**

The record of attendance of the directors at Board Meetings held during the year and at the last Annual General Meeting was:

<b>Name</b>	<b>No. of Board Meetings held during the year</b>	<b>No. of Board Meetings Attended</b>	<b>Attendance at the last AGM held on 22nd September, 2012</b>
Shri Shiv Singh Mehta	4	4	Yes
Smt. Purnima Mehta	4	4	Yes
Dr. S. S. Kothari	4	0	No
Shri Vinod Bhole	4	1 *	No
Shri Manoj Fadnis	4	4	Yes
Shri Rakesh Kalra	4	2	Yes
Dr. Somnath Ghosh	4	1	No

\* Nomination withdrawn with effect from 28th May, 2012.

## **II. AUDIT COMMITTEE**

### **(A) Terms of reference**

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

### **(B) Constitution and Composition**

The terms of reference of the audit committee are extensive and include all that is mandated in clause 49 of the Listing Agreement with the Stock Exchange and Section 292A of the Companies Act, 1956. The Company has complied with the requirements of clause 49(II)(A) of the Listing Agreements as regards composition of the Audit Committee.

The Audit Committee of the Company as on 31st March, 2013 comprises of the following Directors of the Company.

<b>Name of the Director</b>	<b>Designation</b>
Shri Manoj Fadnis	Chairman
Shri Rakesh Kalra	Member
Smt. Purnima Mehta	Member

Two out of three members of the audit committee are Non-Executive Independent Directors.

### **(c) Meeting and attendance during the year**

Four meetings were held during the financial year 2012-13 on 26th May 2012, 28th July 2012, 27th October 2012, and 09<sup>th</sup> February 2013. The attendance of each member of the committee is as under:

<b>Name of the Director</b>	<b>No. of Meeting attended</b>
Shri Manoj Fadnis	4
Shri V. Bhole	1
Shri Rakesh Kalra	1
Smt. Purnima Mehta	3

## **III. SUBSIDIARY COMPANY**

The Audit committee of the Company reviews the financial statements of the subsidiary company. The minutes of the Board meetings were placed before the Board of Directors of the Company for their review.