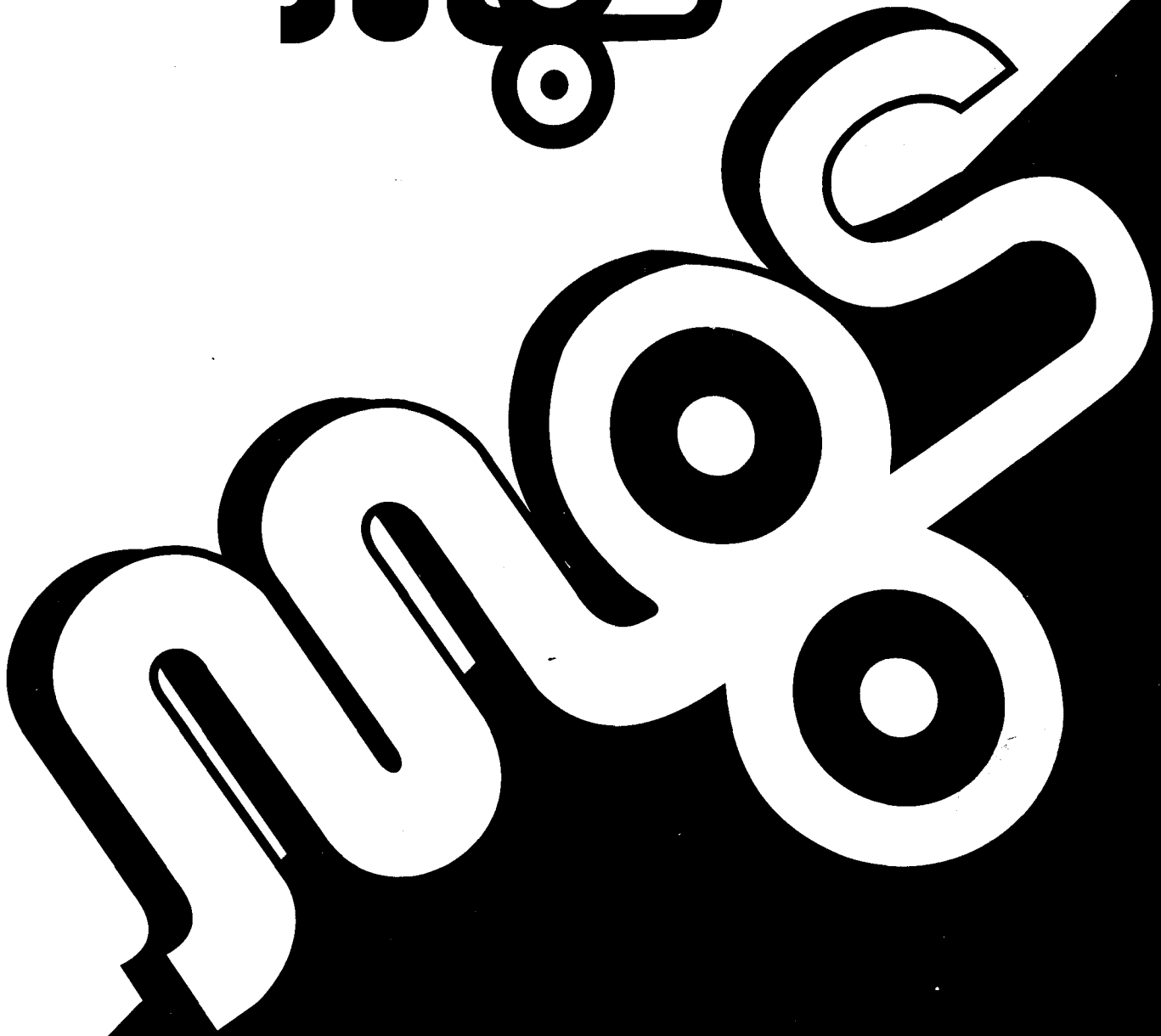


40th Annual Report 2011-2012

msl



MSL INDUSTRIES LIMITED

BOARD OF DIRECTORS

S. K. Modi

Managing Director

A. K. Chatterjee

*(Non Executive & Independent Director
& Chairman of the Audit Committee)*

V.K.Singhania

(Executive Director)

A. K. Kundu

(Non Executive & Independent Director)

A. K. Chowdhury

(Non Executive & Independent Director)

COMPANY SECRETARY

R.N. Dutta

AUDITORS

M/s. Taparia & Co.

Chartered Accountants

28.Black Burn Lane,
Kolkata - 700 012

BANKERS

State Bank of India
Indian Overseas Bank
Citi Bank N.A.

REGD. OFFICE

Flat No. - 2, Sham Kunj Apartment,
Basant Vihar Colony, Boring Road,
Patna - 800 001

Polymer Unit

Hind Polymers

1306 Hemkund Chamber
89, Neheru Place
New Delhi - 100 019

Head Office & Share Department

P-22. Swallow Lane. Kolkata - 700 001

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 40th Annual General Meeting of the Members of MSL Industries Limited will be held on Saturday, the 29th December 2012 at 10.30AM at Flat No.2 Sham Kunj Apartment, Basant Vihar Colony, Boring Road, Patna – 800 001 to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Profit & Loss account for the financial year ended 31st March 2012 and the Balance Sheet as at that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri A. K. Chatterjee who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following Resolutions:-

A) As an Ordinary Resolution:- Appointment of Directors

"Resolved that Shri A. K. Choudhury be and is hereby appointed as a Director of the Company in the casual vacancy of Late K. C. Mukherjee u/s 262 of the Companies Act 1956 and shall be liable to retire by rotation".

B) As an Special Resolution

1. Re-appointment of Shri S. K. Modi as Managing Director.

"RESOLVED that in accordance with the provision of section 198, 269 and 309 read with schedule XIII and also other applicable provision of the Companies Act 1956(including any statutory modifications of re-enactment thereof for the time being in force) and also subject to the approval of the Central Government, the consent of the Company be and is hereby accorded to the re-appointment of Shri S. K. Modi as Managing Director of the Company for a further period of three years with effect from 1st December 2012 on the Terms & Conditions including the remuneration as are set out in the Agreement to be entered into between the Company and Shri S. K. Modi, a draft whereof is placed before the meeting, which Agreement is hereby specially approved with liberty to the Board of Directors to alter and vary Terms & Conditions of the said reappointment and or agreement as may be approved by the Central Government so as not to exceed the limits as specified in Schedule XIII of the Companies Act 1956(including any statutory modification or re-enactment thereof for the time being in force) or any amendments and/or modifications that may hereof be made thereto by the Central Government in their behalf from time to time or any amendment thereof, as may be agreed to between the Board of Directors and Shri S. K. Modi or as may be varied by the shareholders.

Regd. Office:
Flat No. 2, Sham Kunj Apartment,
Basant Vihar Colony,
Boring Road, Patna – 800 001
Dated: 26th day of November, 2012

By Order of the Board

A. K. Chatterjee
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 a proxy need not be a member of the Company. The proxy Form in order to be effective must be deposited at the Head Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday 24th December 2012 to Saturday 29th December 2012(both days inclusive).
3. The Company's shares are listed on Magadh Stock Exchange at Patna, Stock Exchanges at Mumbai and Calcutta. The Company has already paid the Annual Listing Fees for the year 2005-06 to Calcutta & Magadh Stock Exchange and up to the year 2006-2007 to Mumbai Stock Exchange.
4. Explanatory Statement required u/s 173(2) of the Companies Act 1956 is stated herein after.
5. Shareholders are requested to intimate to the Share Transfer Agent of the Company whose address is given below any change in their address promptly including Pin-code quoting the correct folio numbers and also to notify mistakes if any, in the respective addresses to ensure proper delivery of mail.
6. All correspondences regarding shareholding should be addressed to below mentioned Registrar and Share Transfer Agent:

MCS LTD.
77/2A, HAZRA ROAD
3RD AND 5TH FLOOR,
KOLKATA – 700 029.
Phone : 033-2476-7350/54

7. In case any grievance is not addressed by the said Share Transfer Agent Shareholder may contact the Share Department of the Company at :
MSL INDUSTRIES LTD. (Share Department)
P-22, Swallow Lane, Kolkata – 700 001.

EXPLANATORY STATEMENT:- (Pursuant to section 173(2) of the Companies Act 1956)
Item No. 4A

Appointment of a Director in the casual vacancy:-

In order to comply with the provision of clause 49 of the listing Agreement and provisions of the Companies Act 1956 and to fill up the casual vacancy caused by demise of Late K. C. Mukherjee, Shri A. K. Choudhury was appointed as an Independent and Non-Executive Director by the Board of Directors with effect from 28th June 2012 to hold office up to the date of this Annual General Meeting. A declaration as required u/s 274(1)(g) of the Companies Act, 1956 has been received from him. DIN number was also allotted to him. A brief resume stating nature of expertise in specific functional areas of Shri A. K. Choudhury, name of the company(s) where he holds Directors/Members in the Board are stated hereunder as required under the Listing Agreement/Companies Act, 1956. Notice signifying his consent to act as a Director, if appointed, has also been received from Shri A. K. Choudhury and was filed with the Registrar of Companies, Bihar.

Brief Resume :-

Name : Achyut Kumar Choudhury
 Age : 68 years.
 Qualification : M.Com & LLB
 Experience : 35 years experience in different field in service, Consultant in Professional Firms.

Directorship in others Co: NIL

Yours Directors recommend the resolution for your approval.

Item No.4B

RE-APPOINTMENT OF MANAGING DIRECTOR

As per section 269 of the Companies Act, 1956, it is imperative for a Company having paid up Share Capital of '5 crores or more, to have a Managing Director. Your company's paid up share capital is '8.69 crores. The present term of office of Shri S. K. Modi, Managing Director is expiring on 30th November 2012. The Board of Directors at its meeting held on 12th September 2012, after approval of the Remuneration Sub-Committee at their meeting held on 12th September 2012 and also by Audit Committee on 12th September 2012, in compliance with the provision of Schedule XIII of the Companies Act, 1956, approved the re-appointment of Shri S. K. Modi as Managing Director of the Company for a further period of three years with effect from 1st December 2012 to 30th November 2015 on the existing terms which is continuing since 1st December 1998 & which was approved by the Central Government up to in respect of the period from 1st December 2009 to 30th November 2012 and as stated hereunder, subject however, to your approval and also subject to the approval of the Central Government for this period.

A brief Resume, nature of expertise in specific functional areas of Shri S. K. Modi as also the name of the Company(s) where he holds Director/Members in the Board are stated hereunder as required under the Listing Agreement.

Name : Shri Satish Kumar Modi (S. K. Modi)
 Age : 70 years
 Qualification : B.com, Calcutta University.
 Experience : He has been working as Managing Director/In-Charge of Polymers Division of this Company for about Twenty Four years. He is having wide experience both International and domestic, in Commercial, Export and Finance, with dynamic leadership in Trading, Manufacturing and Export Business for about forty six years combined with expertise and specialized Technical knowledge in Cable Industries.

Directorship in : NIL
 Other Cos.

The Draft Agreement to be entered into by the Company with Shri S. K. Modi in respect of his re-appointment for a further period of three years, interalia contains the following terms and conditions :

1. **Name and Designation**
 Shri S. K. Modi
 (Managing Director)
Period
 From 1st December 2012
 30th November 2015
2. **Remuneration:**
 (a) Salary : Rs. 40,000/- (Rupees Forty thousand only) per month including dearness and all other allowances.
 (b) Perquisites: In addition to the Salary, perquisites payable shall be restricted to an amount equal to Rs.4,20,000/- (Four Lac twenty thousand only) per annum. Perquisites are classified as follows:

PART A.

(i) HOUSING

- (a) The expenditure by the Company on hiring furnished accommodation will be subject to the following ceilings 60% of the Salary, over and above 10% payable by the Managing Director.
- (b) If the Company does not provide accommodation to the Managing Director he shall be entitled to house rent allowance subject to the ceiling laid down in (a) above.
- (c) If accommodation is provided in the Company owned house to the Managing Director a deduction of 10% shall be made from the salary of the Managing Director.

EXPENDITURE:

The Expenditure incurred by the Company for gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962. This shall, however be subject to a ceiling of 10% of the salary of the Managing Director.

- (ii) **MEDICAL REIMBURSEMENT:**
Reimbursement of expenses incurred for self, and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- (iii) **LEAVE TRAVEL CONCESSION:**
Leave Travel Concession for self, family once in a year incurred in accordance with the rules of the Company subject to ceiling of one month's salary in a year.
- (iv) **CLUB FEES & MOTOR CAR EXPENSES:**
Fees of clubs subject to a maximum of two clubs. No admission and life membership fees will be paid by the Company and motor car expenses subject to ceiling of 10% of par year salary.
- (v) **PERSONAL ACCIDENT INSURANCE:**
Personal accident Insurance of an amount, the Annual Premium of which shall not exceed '4000/-

NOTE: For the purpose of perquisites in part A(ii) & (iii) above 'family' means the spouse, the dependent children and dependent parents of the Managing Director.

PART B

- (i) Contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in the Computation of the ceiling on perquisites to the extent singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service subject to ceiling limit under gratuity Act, 1971.
- (ii) **EARNED LEAVE:** On full pay and allowances as per the rules of the Company but not exceeding one month's leave for every months of service. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

PART C

Provision of two cars for use on the Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephones and use of car for private purpose shall be billed by the Company.

- 3. The Terms and Conditions set out for re-appointment herein and/or in the Agreement shall be altered and varied from time to time by the Board of Directors of the Company as it may, at its discretion deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 and the limit, if any, fixed by the Central Government (includes any Statutory modifications or re-enactments thereof, for the time being in force, or any amendments made thereto).
- 4. The Agreement may be terminated by either party by giving to other party six month's notice unless otherwise mutually agreed.
- 5. The Managing Director were appointed by virtue of his employment with the Company and his appointment is subject to the provisions of Section 283(1) (i) of the Companies Act, 1956 (including any statutory modification or re-enactments thereof, for the time being in force).
- 6. The Managing Director shall not be entitled to supplement his earning under any agreement with any buying or selling agency and shall also not be interested or concerned directly or indirectly through spouse or minor children in any selling agency of the Company without the prior approval of the Central Government.
- 7. The Managing Director undertakes as a condition that during the period of his tenure as Managing Director of the Company, he shall not become interested or otherwise concerned directly or indirectly or through his wife or minor children in any selling of the Company in future without prior approval of the Central Government.

The said Draft Agreement available for inspection at the Registered Office of the Company or at its Head Office at P-22, Swallow Lane, Kolkata – 700 001 on any working day between 11a.m. to 1p.m.

Your Directors recommend the resolution for your approval.

The above may also be treated as an abstract of the term of contract/agreement between the Company and Shri S. K. Modi pursuant to section 302 of the Companies Act, 1956.

Shri S. K. Modi may be deemed to be interested in the resolution which pertains to his re-appointment and remuneration payable to him.

By Order of the Board

Regd. Office:

A. K. Chatterjee
Director

Dated: 26th day of November, 2012.

DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure in presenting the 40th Annual Report on the operation of the Company together with the Audited Accounts for year ending 31st March 2012.

1. THE FINANCIAL RESULTS.

(₹ IN LACS)

	Year ending 31st March 2012	Year ending 31st March 2011
Turnover(Net of returns and realisation of Excise Duty)	0	1.81
Gross Profit/(Loss) before Depreciation Interest & Tax	(25.77)	(72.18)
Depreciation	0.20	1.08
Interest (Net)(See para 3(1))	(9.27)	(8.55)
Profit/Loss before	(16.70)	(64.71)
Exceptional Items:		
a) Less: Sundry Creditors & other liabilities lying un-claimed for more than Twelve years & considered not payable and as such written back	13.82	0
b) Add: Sundry Debtors considered Bad written off	(0)	(346.78)
c) Advances not recoverable for the Unit Patna written off	(242.44)	0
i) Add: Net Book value of Immovable & Movable Assets of the Unit Hind Polymers Written Off in 2010-11 :-		
i) Representing net book value of Fixed Assets i.e. Land, Building, Plant & Machinery, Electric Instalation etc. taken over & sold by ARCIL on behalf of Secured Creditors under SARFAESI Act, 2002		88.54
ii) Representing net book value of Stock-in-Trade i.e. Raw Materials, & Finished Goods as on 31.03.2010 taken over & sold by ARCIL on behalf of Secured Creditors under SARFAESI act, 2002		16.20
j) Less: Amount received by ARCIL on behalf of Secured Creditors on sale of Assets of the Unit Hind Polymers		375.00
Total of Exceptional Items (Net)	228.67	270.26
Profit(+)/Loss(-) before Tax	245.37	205.55
Provision for Tax	0.75	0
Profit(+)/Loss(-) after tax		205.55
Profit on sale of Investments		13.97
Net Credit in Profit & Loss A/c for the year	246.12	219.52

Note:-

i. Figures of the previous year have been regrouped wherever necessary.

2. CURRENT STATE OF AFFAIRS OF THE COMPANY.

As reported earlier, due to market situation, arising out of the radical changes in Communication System, Liquidity Crunch etc. the operations of the two units at Patna were closed from 1st April 2001. Since the net worth of the Company reduced below the prescribed Limit

under Sick Industrial Companies (Special Provision) Act 1985, on a reference made to BIFR to comply with the Provision of the said Act, after consecutive hearing, the Hon'ble members of BIFR at their meeting held on 6th October 2005 declared the Company as Sick industrial Company under the Provision of the said Act. Meanwhile the Secured Creditors of the Company namely ICICI Bank Ltd., IDBI & SBI filed recovery suit against the Company. The said Secured Creditors assigned their rights on the Assets of the Company in favour of Assets Reconstructions Co (I) Ltd. (ARCIL) (for ICICI Bank Ltd. & SBI) and in favour of Stressed Assets Stabilization Fund (For IDBI) under the Provision of the Securitization & Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002(SARF AESI). After issuing notice for recovery of Debts by said ARCIL on the Company under the SARFAESI Act, not being paid, sold all charged Assets i.e. all Movable & Immovable Assets firstly for the Units at Patna and thereafter for the Unit HP at Ghaziabad which continued its operation till 19th March 2009. Remaning fixed assets of the units at Patna which were not charged in favour of the secured creditors having book value of Rs. 11.93 lac as per Note no 1 in Schedule 5 as at 31-03-2009, not being in existence, as advised, were also write off in 2008-09. The said ARCIL after disposing of all Assets of the Company situated at its Units at Patna and Ghaziabad distributed the amount of sale proceeds to the Secured Creditors to settle their dues from the Company. In view of such payments of Company's dues to the above mentioned Secured Creditors, the said ARCIL vide its letter dated 14th July 2011 send "No Due Certificate" on behalf of ICICI Bank Ltd and State Bank of India. Although a sum of ₹ 477.56 Lac was paid by ARCIL to IDBI in settlement of their dues till date "No Due Certificate". from IDBI is yet to be received through ARCIL. In view of receipts of "No Due Certificate" from ARCIL, as stated above, on behalf of ICICI Bank Ltd and SBI, balance standing to their credit along with interest due thereon, after adjustment of payment made by ARCIL to ICICI Bank & SBI, was written back in the Profit & Loss Account. All movable & immovable assets of the Company which were charged in favour of Secured Creditors and sold by ARCIL on their behalf have been written off in the Profit & Loss Account.

Under the aforesaid State-of-Affairs of the Company your Directors are not in a position, at the moment, to think the Company as a "Going Concern".

In view of the aforesaid facts the recovery suits filed by the IDBI, SBI, ICICI Bank Ltd appears to have become infructuous.

3. DIVIDEND.

In view of the aforesaid circumstance questions of payment of Dividend does not arise.

4. EXPORT

There is no export of the Company during the year as also in previous year.

5. AUDITORS.

5.1 M/s Taparua & Co., Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The retiring auditors have furnished certificates of their eligibility for re-appointment as required under the Companies Act, 1956. Your Directors recommend for their re-appointment for 2012-2013.

6. DIRECTORS.

a) Shri K.C.Mukherjee a director has expired. The Directors placed on record their deep regret and their sincere appreciation for the devotion and valuable advice of Shri K.C.Mukherjee during his tenure as member of Board of direction.

b) Shri A.K.Chatterjee, a Director shall retire and being eligible offer himself for re-election. Your directors recommend for his re-election in the next Annual General Meeting.

c) To fill up the casual vacancy caused by demise of Late K. C. Mukherjee, Sri A. K. Choudury was appointed as Independent and Non Executive Director of the Company by the Board of Directors at their meeting held on 28th June 2012, u/s 262 of the Companies Act 1956. Mr. Choudhury, M.Com, & LLB, aged about 68 years having wide experience, have submitted his consent to act as a Director of the Company. He was also inducted as member in Remuneration Sub-Committee and Audit Committee of the Company and he shall be retiring Director. Your Directors recommend his appointment as Director of the Company for your approval.

d) Shri Satish Kumar Modi (S.K.Modi), Managing Director aged 70 years is associated with this Company as a Promoter/Director since incorporation of the Company. He was appointed as Joint Managing Director of the Company with effect from 1st Augstf 1989 and looking after as In-charge of Polymer Division of the Company.

After resignation of Shri H.K.Modi who was acting as Chairman and Managing Director of the Company and was In-charge of the two Units at Patna namely Hi-Tech Steels & Steels Unit, Shri S.K. Modi was re-appointed as Managing Director of the Company with effect from 1st December 2003. Till then he was continuing as Managing Director of the Company.

His last re-appointment for three years from 1st December 2009 to 30th November 2012 on the same remuneration as he was drawing in December 1998 was approved by the Central Government. His re-appointment as Managing Director for a further period of three years with effect from 1st December 2012 was already approved by the Remuneration Committee, Audit Committee and Board of Directors at the meeting held on 12th September 2012. The re-appointment of Shri S.K.Modi as Managing Director of the Company in necessary to comply with the provision of Section 269 of the Companies Act 1956. Your Directors recommend his re-appointment on the same term as in last period for your approval subject to the approval for the Central Government.

7. DIRECTORS RESPONSIBILITY STATEMENT - PURSUANT TO SECTION217(2AA)

Your Directors confirm that:

i) In the preparation of the Annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

iii. The Directors had taken proper and sufficient care, as far as practicable under the prevailing circumstances, for 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. As reported hereinabove, all moveable & immovable assets of the Units at Patna and at Ghaziabad were taken over and sold by ARCIL on behalf of most of the Secured Creditors namely ICICI Bank Ltd, State

Bank of India and Industrial Development Bank of India. There is no operation at the units at Patna since 01st April 2001. Production of Hind Polymers unit was discontinued permanently with effect from 20.03.2009.

Statutory Disclosures

None of the Directors of your Company is disqualified as per provision of section 274(1)(g) of the companies Act 1956. The Director of the Company have made necessary disclosures, as required under the provision of the act and clause 49of the listing Agreement.

8. CORPORATE GOVERNANCE :-

Pursuant to clause 49 of the Listing Agreements with the Stock Exchanges, report on Corporate Governance along with certificate from the Practicing Company Secretary are attached hereto and form part of this report.

9. DEPOSITS.

The Company has not accepted any deposits from the public.

10. LIST OF THE STOCK EXCHANGES:

The Company's shares were listed on Magadh Stock Exchange at Patna, Stock Exchanges at Mumbai and Calcutta. The Company has already paid the Annual Listing Fees to them for the year 2006-2007 to stock Exchange Mumbai and Calcutta Stock Exchange and up to 2005-06 to Magadh Stock Exchange.

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

As stated earlier the operation of all units of the Company were discontinued & disposed / closed. As such there is no scope to comply with this provision of the Act. in this regard.

12. PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT 1956.

Pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the Directors have to report to you that there was no such employees employed for the whole year and were in receipt of remuneration in aggregate of not less than ₹ 60,00,000/- per year throughout the financial year. There was also no employees employed for part of the year and were in receipt of remuneration of not less than ₹ 5,00,000/- per month thereafter.

13. BALANCE SHEET ABSTRACT AND CASH FLOW STATEMENT.

The Balance Sheet Abstract as at 31st March 2012 as required under Schedule VI of the Companies Act 1956 is attached herewith. The Cash Flow statement as required under the Listing Agreement with the Stock Exchanges, for the period ending 31st March 2012 are attached herewith.

14. ACKNOWLEDGEMENT.

Your Directors place on record their gratitude and appreciation to the Investors, Financial Institutions, Banks, Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges, State and Central Governments and other Government Agencies for the recognition given and the trust reposed by them in your Company.

By order of the Board
(S.K.Modi)
Managing Director

Kolkata.

Dated : the 26th day of November, 2012.

ANNEXURE TO THE DIRECTOR'S REPORT Annexure - 1

Information under section 217(1)(e) of the Companies Act 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Director's Report.

1. CONSERVATION OF ENERGY

As reported earlier the Company was declared sick unit under SICA by BIFR. The assets of the units were taken over by ARCIL under SARF AESI Act 2002, on behalf of the secured creditors namely ICICI Bank Ltd. IDBI, SBI. The movable assets including Plant & Machinery Structures thereon. Stock-in-trade and all other Electrical Installation etc and immovable assets of at the units of Patna and Hind Polymers were sold by ARCIL and have been dismantled. The operation of the Hind Polymers was also discontinued w.e.f. 20.03.2009. The sales proceed of the assets were distributed by ARCIL to Secured Creditors namely ICICI Ltd. SBI & IDBI. The question of energy saving at the units situated at Patna namely Hi-tech Steels unit and Steel and Hind Polymers units at Gagiabad does not, Therefore, Arise.

FORM A

Form for disclosure of Particulars with respect to conservation of energy.

Not applicable as all producing units of the Company are closed and all assets charged in favour of secured creditors were sold as reported earlier.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

FORM B

Form for disclosure of particulars with respect to Technology Absorption : 2011-2012.

A. Research and Development (R&D) Not Applicable as there is no production.

B. Benefits derived as a result of above R&D
As stated above.

C. Future Plan of Action
As stated above.

D. Expenditure on R&D
As stated above.

E. Technology Absorption, Adaptation and Innovation
As stated above.

F. Pollution Control
As stated above.

G. Foreign Exchange Earnings and Outgo Rupees Nil

ANNEXURE TO THE DIRECTOR'S REPORT
Annexure - 2

CORPORATE GOVERNANCE.

A. MANAGEMENT DISCUSSION AND ANALYSIS REPORT.

INDUSTRIES STRUCTURE & DEVELOPMENT.

The company's two units namely Steel Division at Patna and Polymers division at Gaziabad were catering to meet the demand of the Jelly filled telephone cable industries (JFTC). Due to complete change in Technology the company producing JFTC in India have become sick and mostly not-in-operation. Due to such reason this Company also became sick and as set of all units at Patna and at Gaziabad were taken over and sold by ARCIL on behalf of the Company's Secured Creditors under SARFAESI Act, 2002.

B. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE.

The object of the "Corporate Governance as its compliance as required under clause 49 of the Listing Agreement is towards the achievement of high level of transparency & accountability to protect the interest of the shareholders. With this object the company has constituted Audit Committee, Remuneration Committee, Shareholders/Investors Grievance Committee etc to fulfil such objectives.

As required under SEBI rules, trading of the company's share have been made compulsory for dematerialisation from 26th February 2001 with an option to the shareholders to hold the same in physical form also. Further, in compliance with the directions of the SEBI for appointment of common Agent in respect of share transfer & other related matters, both in physical & demat form, the company has appointed M/s MCS Ltd, Kolkata as its share transfer agent with all authorities to serve the Shareholders/Investors to their satisfaction and to comply with the other requirements under SEBI Rules, Listing Agreement and other related Acts and Rules thereunder.

C. Composition of Board of Directors as at 31-03-2012.

No. of Shares held(Equity)

1. Shri S.K. Modi Managing Director	360,550
2. Shri A.K. Chatterjee, Independent and Non-executive Director	Nil
3. Shri V.K. Singhania, Executive Director.	
4. Shri A.K. Kundu, Independent & Non-executive Director	Nil
5. Shri K.C. Mukherjee, Expired in June 2011.	Nil

D. Attendance of the Directors in the Meeting held during the year 2011-12

Name of the Director	No of Meeting held	No of Meeting Attended	Attendance in last AGM on 21 - 07 - 2011	No of Directors in other public Co.
Shri S.K.Modi	Five	Five	Not Attended	Nil
Shri A.K.Chatterjee	Five	Five	Attended	2
Shri V.K.Singhania	Five	Five	Attended	Nil
Shri K.C. Mukherjee	Five	One	Not Attended	Nil
Shri A.K.Kundu	Five	Five	Not Attended	Nil

E. Dates of Board Meeting Held during the year 2011-12.

Date of Board Meeting

On 25th April 2011

On 2nd September 2011

On 12th September 2011

On 28th December 2011

On 22nd March 2012

F. AUDIT COMMITTEE.

CONSTITUTION OF AUDIT COMMITTEE as at 31st March 2012.

1. Description of Term & Reference - The Board of Directors at their meeting held on 28-09-01 has delegated the Audit Committee those powers and responsibilities as are provided under section 292(A) of the Companies Act 1956.