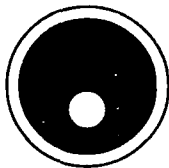


17th Annual Report 2007 - 2008

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Growth through Consolidation



**MAHALAXMI
SEAMLESS LIMITED
ISO 9001 : 2000**


MAHALAXMI
 SEAMLESS LIMITED
Board of Directors

Shri Madhav Prasad Jalan	Chairman & Managing Director
Shri Vivek Jalan	Executive Director
Shri Narendra kumar Dalmia	Director
Shri Manish Dalal	Director
Shri Chetan Jain	Director
Shri J. P. Hingorani	Director
Shri Shushilkumar Shrivastava	Wholetime Director

REGISTERED OFFICE & WORKS

Pipenagar (Sukeli)
 Via. Nagothane
 Tal. Roha, Dist. Raigad
 Maharashtra : 402 126

HEAD OFFICE

A-54, Virwani Industrial Estate,
 Western Express Highway,
 Goregaon (E), Mumbai - 400 063.

BANKERS

Oriental Bank of Commerce, Overseas Branch, Andheri (E).

AUDITORS

M/s. V. B. Goel & Co.
 Chartered Accountants

SEVENTEENTH ANNUAL GENERAL MEETING**DATE**

Friday September 30, 2008

TIME

2.00 p.m.

VENUE

Pipenagar (Sukeli)
 Via, Nagothane
 Tal. Roha, Dist. Raigad,
 Maharashtra : 402 126.



ANNUAL REPORT 2007 - 2008

SEVENTEENTH ANNUAL REPORT 2007 – 2008

NOTICE

Notice is hereby given that the **Seventeenth** Annual General Meeting of the Members of **MAHALAXMI SEAMLESS LIMITED** will be held at its Registered Office at Pipenagar (Sukeli), Via Nagothane, Tal-Roha, Maharashtra- 402 126, on **30th September, 2008** at 2.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Balance Sheet as at March 31, 2008 and Profit & Loss Account for the year ended as on that date and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. Manish Dalal who retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Narendra Kumar Dalmia who retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT Mr. Chandrashekar R. Kulkarni who was appointed as an Additional Director of the Company and whose tenure of office comes to an end at this Annual General Meeting be and is hereby re-elected as Director of the Company whose period of office shall be liable to retirement of Directors by rotations".

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

"RESOLVED THAT pursuant to Sections 198, 269, 309, 310 & 311 read with Schedule XIII of the Companies Act, 1956 and approval of the Remuneration Committee of the Company and further subject to the approval of the Members of the Company at the forthcoming Annual General Meeting, the Board of Directors of the Company do and hereby approve the revision of the basic salary payable to Mr. Vivek Jalan, Executive Director of the Company from the existing Rs. 6,00,000/- per annum to proposed Rs. 10,00,000/- per annum w.e.f. July 01, 2008 and the rest of the terms and conditions of the appointment of the said Wholtime Director designated as Executive Director of the Company remains the same as per abstract of the terms and conditions under Section 302 of the Companies Act, 1956 as already circulated amongst the Members of the Company at the time of appointment of the said Director on 26/12/2003 and lastly that the Board of Directors of the Company be and is hereby authorised to take such steps as may be deemed necessary, desirable or expedient to give effect to this resolution."

"RESOLVED FURTHER THAT Mr. Madhav Prasad Jalan, Chairman & Managing Director of the Company be and is hereby authorized to file Form Nos. 23 & 25C with the Registrar of Companies, Maharashtra/Ministry of Corporate Affairs and to take all effective steps as may be deemed necessary for giving effect to this resolution for and on behalf of the Board of Directors of the Company."

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

"RESOLVED THAT pursuant to applicable provisions of the Companies, Act, 1956. Securities Contract (Regulation) Act and rules framed there under, SEBI (Delisting of Securities) Guidelines 2003, Listing Agreement and all other applicable laws, regulations and guidelines and subject to such approvals, permission and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permission and sanction, which may be agreed to by the Board of Directors of the company, (hereinafter referred to as "the Board") approval of the company be and is hereby accorded to the Board for voluntary delisting of the Equity Shares of the company listed on the Stock Exchange at The Ahmedabad Stock Exchange Limited and The Madras Stock Exchange Limited."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take all necessary steps in this regard and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and settle any question, difficulty, doubt that may arise in regard to voluntary delisting of Equity Shares from aforesaid Stock Exchange and to execute all such deeds, documents, writing as any be necessary, expedient or desirable as it may deem fit"

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

"RESOLVED THAT in accordance with the provisions of Section 260 of the Companies Act, 1956 read with Article 109 of the Articles of Association of the Company Mr. Nagesh Deshmane be and is hereby appointed as an Additional Director of the Company with effect from April 16, 2008 till the date of forthcoming Annual General Meeting of the Company".

"RESOLVED THAT pursuant to Sections 198, 269, 309, 310 & 311 read with Schedule XIII of the Companies Act, 1956 and approval of the Remuneration Committee of the Company and further subject to the approval of the Members of the Company at the forthcoming Annual General Meeting, the Board of Directors of the Company do and hereby approve the re-designation of Mr. Nagesh Deshmane, as a Wholtime Director designated as Director of the Company w.e.f. April 16, 2008 for the period two years i.e. from 16/04/2008 till 15/04/2010 Rs. 5,00,000 per annum and the rest of the terms and conditions of the appointment of the said Wholtime Director designated as a Director of the Company as per abstract of the terms and conditions under Section 302 of the Companies Act, 1956;

"RESOLVED FURTHER THAT Mr. Madhav Prasad Jalan, Chairman & Managing Director of the Company be and is hereby authorized to file Form Nos. 23, 25C & 32 with the Registrar of Companies, Maharashtra/Ministry of Corporate Affairs and to take all effective steps as may be deemed necessary for giving effect to this resolution for and on behalf of the Board of Directors of the Company."

For and On behalf of the Board of Directors

Place: Mumbai
Date : 30/06/2008

MADHAV PRASAD JALAN
CHAIRMAN & MG. DIRECTOR

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **26th September, 2008 to 30th September, 2008** (both days inclusive).
4. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.
5. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Wednesday and Public Holidays between 11.00 A.M. and 1.00 P.M. up to the date of Annual General Meeting.
6. Members are requested to bring their copies of the reports to Annual General Meeting.
7. Members holding shares in the same set of names under different folios are requested to apply for consolidation of such folios alongwith Share Certificates to the Company.
8. Explanatory Statement for Item Nos. 5, 6 & 7 pursuant to Section 173(2) of the Companies Act, 1956 is enclosed herewith.
9. In order to exercise strict control over the transfer documents, Members are requested to send the transfer documents/ correspondence, if any, directly to:

ADROIT CORPORATE SERVICES PRIVATE LIMITED

Unit: MAHALAXMI SEAMLESS LIMITED

Add : 19, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri (E), Mumbai - 400059.

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

Item No.5:

Mr. Chandrashekar R. Kulakarni was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 20/04/2008 and his period of office comes to end at the forthcoming Annual General Meeting and being eligible he has offered his candidature to be appointed as Director of the Company whose period of office shall be liable to retirement of Directors by rotation.

Mr. Chandrashekar R. Kulakarni is a commerce graduate and vast experience of approximately 28 years in the various Business Activities consisting of Accounts, Banking, Finance, Audit, Administration etc.,

Mr. Chandrashekar R. Kulakarni was appointed as an Additional Director of the Company w.e.f 20/04/2008 and his tenure of office comes to an end at ensuing Annual General Meeting and he being eligible offer his candidature for the Directorship.

None of the Directors of your Company except Mr. Kulkarni, (directly interested) are interested in the proposed resolution.

Item No.6:

The Board of Directors of the Company at their meeting held on 30/06/2008 has recommended revision in the existing basic salary

of Shri Vivek Jalan, Executive Director of the Company from the existing Rs. 6,00,000/- per annum to proposed Rs. 10,00,000/- per annum w.e.f. July 01, 2008 and the rest of the terms and conditions of the appointment of the said Wholtime Director designated as Executive Director of the Company remains the same as per abstract of the terms and conditions under Section 302 of the Companies Act, 1956 as already circulated amongst the Members of the Company at the time of appointment of the said Director on 26/12/2003 which was further revise on 1/10/2006

As the Members are aware, abstract under Section 302 of the Companies Act, 1956 has already been circulated amongst the Members of the Company.

Your Directors recommend the resolution for your approval.

None of the Directors of your Company except Shri Vivek Jalan, (directly interested) and Shri.Madhav Prasad Jalan (indirectly interested), are interested in the resolution.

Item No. 7

The Equity Shares of the Company are currently listed with the Ahmedabad, Madras and Mumbai Stock Exchanges. Presently, Shares of the Company can be traded online through bold and accordingly the shareholders residing in the state of Gujarat and Tamilnadu can trade in the Company's shares online.

The concept of trading on Regional Stock Exchanges such as Madras and Ahmedabad has since have only historical importance. The delisting of the Company's scrip from the said Exchanges will have no major effects on the total trading in the Company's shares altogether. Delisting will also help the Company in reducing the cost of servicing the shareholders. Since Company would able to save money in the form of listing fees payable to both the Stock Exchanges.

Hence the Board proposes the Special Resolution to be passed by the shareholders.

None of the Directors of your Company are interested in the proposed Special Resolution.

Item No. 8

Mr. Nagesh Deshmane was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on April 16, 2008 and his period of office comes to end at the forthcoming Annual General Meeting. Further he was re-designated as a Wholtime Director designated as Director of the Company w.e.f. April 16, 2008 for the period two years i.e. from 16/04/2008 till 15/04/2010

Mr. Nagesh Deshmane is a Bsc and has vast experience of approximately 27 years in indian & multanational Companies at Senior Management position in various fields such as General Administration, Government Liaisoning , Industrial Relations, Inventory Management, Operations etc.,

None of the Directors of your Company except Mr. Nagesh Deshmane, (directly interested) are interested in the proposed resolution.

For and On behalf of the Board of Directors

Place: Mumbai
Date : 30/06/2008

MADHAV PRASAD JALAN
CHAIRMAN & MG. DIRECTOR



ANNUAL REPORT 2007 - 2008

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Seventeenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended March 31, 2008

FINANCIAL RESULTS:

PARTICULARS	(Rs. in lacs)	
	As on March 31, 2008	As on March 31, 2007
Income from Sales (Net of Excise)	3511.49	2778.14
Other Income	64.89	38.24
Increase/ (Decrease) in Stock	(177.18)	175.00
Total Expenditures	2676.51	2572.58
Profit / (Loss) before Depreciation & Interest	722.69	418.80
Less: Depreciation	129.31	109.08
Interest	58.23	39.37
Add: Prior Period/ Extra Ordinary Adjustments	(0.56)	00.86
Net Profit / (Loss) before Taxation	534.59	271.21
Provision for Taxation	186.39	95.64
*[Current + Fringe Benefit+Deferred]		
Profit After Taxation	348.20	175.57
Less: (Short) / Excess	-	(03.19)
Prov. Of Tax		
Less: Interim Dividend	26.40	-
Less: Dividend Distribution Tax	4.49	-
Less: Transfer to General Reserves	-	-

DIVIDEND:

Your Board of Directors has given interim dividend of 5% during the year 2007-08 and has decided not to recommend any further dividend for the year under review. Since the company is significantly expending it wants to finance most of the expansion using its internal accruals and keep the loan burden low.

OPERATIONS:

The net revenue for the current year was Rs.3511.48 lacs which includes export for Rs.1271.45 lacs (Rs.2778.14 lacs) in the previous year. The net profit for the year was Rs.348.20 lacs (Rs.172.38 lacs) in the previous year, thus recording increase of 26.40% and 102.00% respectively.

DIRECTORS:

Pursuant to the Articles of Associations of the Company, Mr. Manish Dalal & Mr. Narendra Kumar Dalmia, Directors of the Company retire by rotation at the forthcoming Annual General

Meeting and being eligible, offer themselves for re-appointment.

Further, Mr. Chandrakant R. Kulkarni who was appointed as an Additional Director of the Company on 20/04/2008 and his period office shall comes to end at the ensuing Annual General Meeting and being eligible has offered his candidature for the post of Directorship.

DIRECTORS' RESPONSIBILITY STATEMENT, pursuant to Sec. 217(2AA) of the Companies Act, 1956, your directors to the best of their knowledge and belief confirm that:

- that in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the directors have 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 profit or loss of the company for that period.
- that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement, a separate report on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

DISCLOSURE UNDER THE STOCK EXCHANGE LISTING AGREEMENT:

In accordance with the amended Listing Agreement with Respective Stock Exchanges, it is hereby confirmed that the Company's Shares are listed at the Stock Exchanges at Mumbai, Ahmedabad and Madras.

FIXED DEPOSITS:

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, relating to the conservation of Energy and Technology Absorption forms part of this report and is given by way of Annexure.

AUDITORS:

M/s. V. B. Goel & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company, are due to retire as auditors of the company at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES:

Particulars of employee in accordance with provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended, are not given as none of the employee qualify for such disclosure.

EXPLANATION U/S. 217(3) OF THE COMPANIES ACT, 1956:

1. Note No. 4(f) to Auditors' Report:

The Company is accounting retirement Benefits viz, earned leave on payment basis. Hence, necessary disclosures in this regard has not been quantified and its effect on profit and liability can not be ascertained.

2. Note No. 4 to Auditors' Report:

The Company has entered into contract for purchase and sale of goods with related party in circumstances of urgent necessities without obtaining consent of the Board and the said consent was obtained at a meeting within three months of the date on which the contract was entered into:

3. Note No. 4(f) (ii) to Auditors Report :

The Company has advanced loans to its Directors in the circumstances which were beyond the control of the said Directors and the effective stapes are already being taken to recover the financial assistance accorded to the Directors by the Company.

4. Note No. 4(g) to Auditors Report :

The Company is in the process of compiling the data in connection with Micro, Small and Medium Enterprises so as to make disclosures in the Annual Report pursuant Micro, Small and Medium Enterprises Development Act, 2006.

5. Note No. 8 to Annexure to Auditors Report :

The Company has already taken effective steps to maintain cost records as prescribed under the Companies Act, 1956 for the year ended March 31, 2008.

ACKNOWLEDGEMENTS:

The Board of Directors wishes to place on record its sincere appreciation of the valuable co-operation and continuous support extended by its bankers namely Oriental Bank of Commerce. The support received from statutory organizations, esteemed customers and the employees of the company is gratefully acknowledged.

For and On behalf of the Board of Directors

sd/-

Place: Mumbai
Date: 30/06/2008

MADHAV PRASAD JALAN
CHAIRMAN & MG. DIRECTOR

**ANNEXURE TO DIRECTORS' REPORT:**

Information in terms of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

A) CONSERVATION OF ENERGY:

Company uses electricity as major source of energy. Adequate steps for power factor improvement have been taken wherever feasible.

The company is expending its carbon steel plant based on gas consumption furnace, resulting into lower power consumption per unit of production.

The require information with regard to conservation of energy as required under section 217 (1) (e) of the Companies Act, 1956 and Rules made therein in Form A are given hereunder:

FORM-A

Form for disclosure of particulars with respect to conservation of energy :

Particulars	Current Year (31/03/2008)	Previous year (31/03/2007)
1. Power & Fuel Consumption:		
1. Electricity		
Purchased Units		
Total Amount (Rupees)	47,61,840	50,49,915
Rate per Unit (Rupees)	2,13,41,341	2,32,97,430
	4.48	4.61
2. Fuel (L.D.O.)		
Consumption (Ltrs.)	2,20,000	2,60,000
Total Amt. (Rupees)	57,91,836	54,74,488
Rate per unit (Rupees)	26.33	21.06
3. Diesel		
Consumption (Ltrs.)	28,356	24,218
Total Amount (Rupees)	9,68,230	8,92,358
Rate per unit (Rupees)	34.14	36.85
4. Consumption per ton		
Electricity/Units	1,358.24	915.38
L.D.O.(Liters)	62.75	47.18
Diesel (Liters)	8.09	4.39

**FORM-B
(See Rule - 2)**

Form for disclosure of particulars with respect to technology absorption

Research and Development

- | | |
|--|------|
| 1. Specific areas in which R&D is carried out by the company | None |
| 2. Benefits derived as a result of the above efforts | NA |
| 3. Future plan of action | |
| Efforts are aimed at cost reduction, improvement in quality of existing products and development of new process. | |
| 4. Expenditure on R&D for the year 2007-08 | Nil |

Technology, absorption, adaptation and innovation

Continuous efforts are going on for development of process for additional products, up-grading of existing equipments for improvement in the quality of products and reducing the cost of manufacture. No technology has been imported by the company.

Foreign Exchange Earnings and outgo

	Rs. In Lakhs
Earnings	1238.53
Outgo	1323.58


MANAGEMENT DISCUSSION AND ANALYSIS
1. Industry structure and developments

The company operates in cold drawn carbon steel seamless tubes. Due to sharp rise in steel prices raw material cost is becoming more expensive but the market acceptance of the price rise is relatively slow causing short term losses. The company is expending its capacity to add a new bright annealing furnace. In addition, company has already made investments in a separate Stainless Steel seamless tubes plant. This plant is in response to the higher margins of SS tubes to improve its performance in the coming years.

2. Financial performance & operational performance

The operational performance of the company has been satisfactory. The financial performance across all major parameters during the year under review. The net sales of the company increased from Rs.2778.14 lacs in the previous year to Rs.3511.49 lacs in the current year. The operating profit (PBITD) increased from Rs.418.80 lacs to Rs.722.69 lacs an signifying increase of 72.6%. The improvement in operating results is mainly due to reduction in raw material cost. The cash profit also increased from Rs.380.29 lacs to Rs.663.88 lacs an increase of 74.6%. The company entered in new European countries, Brazil and USA resulting in a growth of increasing FOB value of exports from Rs.98.17 lacs to Rs.1238.53 lacs.

3. Internal control system

The company has proper and adequate system of internal controls, which ensure that all the assets are safeguarded and all transactions are authorized, recorded and reported correctly. The company maintains adequate and effective internal control system for purchase of raw materials, stores, plant and machinery, equipment and other assets as well as for sale of goods. The finance and commercial functions have been structured to provide adequate support and controls for the business of the company.

4. Industrial relations and human resource development

The company has a team of professionally qualified personnel to look after technical and commercial aspects of business operations. Its technical team includes qualified engineers, skilled operators and expert maintenance staff. Employee relations have been cordial.

The company had 270 employees including contract labour as on 31st March, 2008.

5. Cautionary Statement

- Statement in this report on Management Discussion and Analysis describing the company's objectives, projections, estimates, expectations etc. are predictions may be "forward looking statements" within the meaning of applicable security laws or regulations.
- These statements are based on certain assumptions and expectation of future events. Actual results could however differ from those expressed or implied. Many imported factors including global and domestic demand and supply conditions, prices, raw materials costs and availability, cost of fuel, determination of tariff, changes in government regulations, tax laws and other status may be effect the actual result which could be different from what the director's envisage in terms of future performance and outlook.

The financial statements have been prepared in compliance with the requirements of the companies Act, 1956 and generally accepted accounting principals in India. The management of Mahalaxmi Seamless Limited accepts responsibility for the integrity and objectivity of those financial statements, as well as for various estimates and judgments used therein. These estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis in order that the financial statements reflect in a true and fair manner the sale affairs and profit for the year.


MAHALAXMI
 SEAMLESS LIMITED

CORPORATE GOVERNANCE REPORT
MANDATORY REQUIREMENTS:
REPORT ON CORPORATE GOVERNANCE
1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company's philosophy of corporate governance envisages attainment of the highest level of transparency, accountability and equity in all its dealings with shareholders, employees, Government and parties concerned. The company cares for ethical values down the line and shall not compromise on any of them. The Company's Guiding Principles are focused to achieve the highest standards of good corporate Governance and is striving hard for improve standards. To achieve these goals the Company has formed Executive Committee, Management Committee and Operation Committee consisting of Senior Managers of the company and also various committee of Board of Directors.

2. BOARD OF DIRECTORS

As on 31st March, 2008 the strength of Board of Directors was 8, comprising of 4 Executive Directors and 4 Non Executive Directors.

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance, management and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors meets with the requirements of Clause 49 (1) (A) of the Listing Agreement. None of the Directors on the Board is a member on more that ten Committees and Chairman of more than five Committees as per Clause 49 (IV) (B) across all Companies in which they are Directors. There were no change in the composition of the Board of directors during the financial year.

Non-Executive Directors do not have any pecuniary relationship with the company.

The composition of the Board of Directors and also the number of other Board of Directors of which he is a Member/Chairman are as under:

Names of Directors	Category of Directorship	Directorship in other companies	No. of Board Committees (other than Mahalaxmi Seamless Ltd.) in which Chairman/Member	
			Chairman	Member
Shri M.P. Jalan	Executive	1	Jaguar Overseas Ltd	1
Shri Narendra Sakariya (resigned w.e.f. 08/01/08)	Executive	1	Sakaria Finance Pvt. Ltd	1
Shri Vivek Jalan	Executive	1	Ominitex Industries (India) Ltd	1
Shri Narendra Kumar Dalmia	Independent, Non-Executive	3	1. Sanwaria Polyesters Pvt. Ltd. 2. Sunrise Commercial Pvt. Ltd. 3. Business mart.com India Ltd 4. Strata.geosystem India Pvt. Ltd.	4
Shri Manish Dalal	Independent Non-Executive	3	1. Sarayu Issue Management Services Pvt. Ltd. 2. Ancient leasing Finance & Inv. Co. Ltd. 3. Optimum Tehnologies Ltd.	3
Shri Chetan Jain	Independent Non-Executive	2	1. Tricame Health care Pvt. Ltd. 2. Tricame Life Science ltd 3. Tricame	3
Shri Jeevan Prakash Hingorani	Independent Non-Executive	Nil	Nil	Nil
Shri Sushil Kumar Shrivastava	Whole-time Director	Nil	Nil	Nil



ANNUAL REPORT 2007 - 2008

BOARD PROCEDURE:

The Board meets at least once a quarter to review the quarterly performance and the financial results. The Board's role, functions, responsibility and accountability are clearly defined. All major decisions involving policy formulations, business plans, annual operating budgets, compliance with statutory requirements, major accounting provisions and write-offs are considered by the Board.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING:

During the year 30 (Thirty) Board Meetings were held during the financial year ended March 31, 2008, the dates of which are :- 10/04/07, 16/04/07, 14/05/07, 25/05/07, 15/06/07, 29/06/07, 10/07/07, 27/07/07, 31/07/07, 10/08/07, 10/09/07, 31/10/07, 02/11/07, 05/11/07, 15/11/07, 21/11/07, 30/11/07, 06/12/07, 15/12/07, 26/12/07, 01/01/08, 05/01/08, 08/01/08, 14/01/08, 31/01/08, 25/02/08, 05/03/08, 10/03/08, 11/03/08 and 15/03/08. The attendance of each Director at Board Meetings and the last Annual General Meeting is as under:

Name of the Director	No. of Board meetings attended	Attendance of last AGM held on 28/09/2007.
Shri Madhav Prasad Jalan	30	Attended
Shri Vivek Jalan	30	Attended
Shri Narendra Sakariya	23	Attended
Shri Manish Dalal	8	Attended
Shri Narendra Kumar Dalmia		Attended
Shri Chetan Jain		No
Shri Jeevan Prakash Hingorani		No
Shri Sushil Kumar Shrivastava		No

3. AUDIT COMMITTEE:

BROAD TERMS OF REFERENCE

The Audit Committee of the Company, inter-alia, acts as a control mechanism in the financial and other important departments of the Company. The terms of reference of the Audit Committee are in accordance with paragraphs C and D of Clause 49 (II) of the Listing Agreement and as specified by the Board of Directors of the Company.

The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) issued by the Institute of Chartered Accountants of India during the year. The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the Statutory auditors
4. Reviewing, with the management, the annual financial statements before Submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act. 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions.
 - g. Qualification in the draft audit report.
5. Reviewing with the management the quarterly financial statements before submission to the board for approval



- 5A Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue. Preferential issue, etc.), the Statement of funds utilized for purposes other than those stated in the offer Document/prospectus/ notice and the report submitted by the monitoring agency Monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up in this matter.
6. Reviewing, with the management performance of statutory and internal auditors, and adequacy of the internal control system.
 7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 8. Discussion with internal auditors any significant findings and follow up there on.
 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 12. Carrying out any other function as is mentioned in terms of reference of the Audit Committee.

COMPOSITION

The Audit Committee comprises of three Directors. All these Directors possess knowledge of corporate finance, accounts and company law.

The constitution of the Audit Committee is as follows:

Names of Members

1. Shri Manish Dalal
2. Shri Narendra Kumar Dalmia
3. Shri Chetan Jain

Designation

- Chairman, Non-Executive Director (Independent Director)
 Non-Executive Director (Independent Director)
 Non-Executive Director (Independent Director)

MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2008, Four Audit Committee Meetings were held on dated 29/06/07, 27/07/07, 31/10/07 and 31/01/08.

The attendance at the Audit Committee Meetings is as under:

Name of Director	No. of meetings attended
Shri Manish Dalal	4 (Four)
Shri Narendra Kumar Dalmia	4 (Four)
Shri Chetan Jain	4 (Four)

The Chairman of the Committee was present at the Annual General Meeting of the Company held on 28/09/2007 to attend the shareholders' queries.

4. REMUNERATION COMMITTEE:

To review, assess and recommend the appointment of Whole-time Directors.

Brief description of term of reference:

- i) The board may set up a remuneration committee to determine on their behalf and on behalf of the shareholders with agreed terms of reference, the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.
- ii) To avoid conflicts of interest, the remuneration committee, which would determine the remuneration packages of executive directors may comprise of at least three directors, all of whom should be non-executive directors, the Chairman of committee being an independent director.