

25th Annual Report 2010 -11

Turnkey Projects



BOARD OF DIRECTORS

Rajesh V. Shah, *Chairman*

Niraj Bajaj

Prakash V. Mehta

T. S. Anand

N. Ramanathan

ANNUAL GENERAL MEETING

Thursday, 28th July, 2011, 3:30 p.m.

at Kamalnayan Bajaj Hall, Bajaj Bhawan,
Jamnalal Bajaj Marg, 226, Nariman Point,
Mumbai - 400021

MANAGER

K. P. Jotwani

COMPANY SECRETARY

P. R. Dhruva

AUDITORS

K. K. Mankeshwar & Co.,

Chartered Accountants, Mumbai

REGISTERED OFFICE

Bajaj Bhawan, Jamnalal Bajaj Marg,
226, Nariman Point,
Mumbai - 400 021.

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REGISTRAR AND TRANSFER AGENTS

Bigshare Services Pvt. Ltd.

E-2/3, Ansa Industrial Estate, Saki Vihar Road,
Sakinaka, Andheri (East), Mumbai - 400 072.

A Request :

As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copy of the Report to the meeting.

Cover Picture - Erection & Commissioning of Station Transformer (2 X 600 MW) at LANCO Anpara Thermal Power Plant in Uttar Pradesh

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of Notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send the above information i.e. e-mail address to the Company at mel@mukand.com OR to the Registrar of the Company at marketing@bigshareonline.com or info@bigshareonline.com for registration of their e-mail address.

NOTICE

NOTICE is hereby given that the 25th ANNUAL GENERAL MEETING of the Members of the Company will be held on **Thursday, the 28th day of July, 2011 at 3:30 p.m.** at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021, to transact the following business:-

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Niraj Bajaj who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Prakash V. Mehta who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. K. K. Mankeshwar & Co., Chartered Accountants (Regn. No. 106009W), retiring Auditors of the Company who are eligible for re-appointment for the period commencing from the conclusion of this annual general meeting till the conclusion of the next annual general meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to Sections 198, 387 and other applicable provisions, if any, of the Companies Act, 1956, and subject to such other approvals as may be necessary, the Company do hereby appoint Shri K. P. Jotwani, as the “Manager” of the Company, as defined under Section 2(24) of the Companies Act, 1956, for a further period of 2 (two) years with effect from 1st June, 2011 upon the terms and subject to the conditions as set out in the Draft Agreement between the Company and Shri K. P. Jotwani with further liberty to the Directors from time to time, to alter and vary the said terms and conditions in such manner as may be agreed upon between the Directors and Shri K. P. Jotwani in the best interests of the Company, subject to the provisions contained in Schedule XIII to the Companies Act, 1956, as amended from time to time.

RESOLVED FURTHER THAT Shri K. P. Jotwani shall function as a “Manager” within the meaning of Section 2(24) of the Companies Act, 1956 subject to the superintendence, control and direction of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution.”

NOTES FOR MEMBERS' ATTENTION:

1. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item No.6 is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS

ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from 23/07/2011 to 28/07/2011 (both days inclusive).
4. Pursuant to Section 205A of the Companies Act, 1956 all unclaimed dividends upto the financial year 1993-94 have been transferred to the General Revenue Account of the Central Government. Those Members who have so far not claimed their dividends upto the said period are requested to claim the amount by submitting an application in prescribed Form II to the Registrar of Companies, Maharashtra,

Pursuant to Section 205C of the Companies Act, 1956 all unclaimed dividend for the years 1994-1995 to 2000-2001 have been transferred to the Investors' Education and Protection Fund (the Fund) set up by the Central Government. The said Section further provides that amounts remaining unclaimed for a period of seven years from the date of payment shall be transferred to the said Fund. Members are requested to note that no claims shall thereafter lie against the said Fund or the Company in respect of the said amount so transferred.

5. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name etc. to their Depository Participant (DP). These changes will be automatically reflected in Company's records, which will help the Company to provide efficient and better service to the Members.
6. The Company's Equity Shares are listed on Bombay Stock Exchange Ltd., Mumbai and The National Stock Exchange of India Ltd., Mumbai.
7. Dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 2011, when declared at the meeting, will be paid:
 - i) To those members whose names appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company and / or its Registrars on or before 22/07/2011.
 - ii) In respect of shares held in electronic form to those “deemed members” whose names appear on the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), at the end of business hours on 22/07/2011.
 - iii) SEBI has made it mandatory for all the Companies to use bank details furnished by the investors for distributing dividends to them through National Electronic Clearing Services (NECS), wherever NECS and bank details are available. In the absence of NECS facility the Companies are required to print the bank details, if available, on payment instrument, for distribution of dividends to the investors. Therefore, members holding shares in physical mode are requested to provide their bank details to the

Company / Registrar. Members holding shares in demat mode are requested to record the NECS mandate with their Depository Participants.

- iv) SEBI vide Circular Ref. No.MRD/DoP/Cir-05/2007 dated 27th April, 2007 made PAN mandatory for all securities market transaction. Thereafter, vide Circular No. MRD/DoP/Cir-05/2009 dated 20th May, 2009 it was clarified that for securities market transactions and off market / private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company/ RTAs for registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases :

- Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholder(s).
- Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
- Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

**By Order of the Board
For Mukand Engineers Limited**

**P. R. Dhruva
Company Secretary**

Place : Mumbai

Date : 26th May, 2011

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956:

Item No. 6

Members of the Company had approved the appointment of Shri K. P. Jotwani as “Manager” of the Company under the Companies Act, 1956 for a period of 3 (Three) years for the period from 1st June, 2008 to 31st May, 2011 and had also approved the maximum Remuneration payable to him, at their 22nd Annual General Meeting held on 30th July, 2008. The said terms will expire on 1st June, 2011.

Thereafter, the Board of Directors of the Company at their meeting held on 7th February, 2011 have subject to the approval of the Members appointed Shri K. P. Jotwani, as the “Manager” of the Company effective from 1st June 2011 for a further period of 2 (Two) years with liberty to alter/vary the said terms and conditions in conformity with the requirements of Schedule XIII to the Companies Act, 1956 or any amendments thereto.

Shri K. P. Jotwani, aged 68 years is a B. E. (Mech.) from M. S. University, Baroda. He joined Mukand Limited in the year 1966 as a Management Trainee and has held various positions in Mukand Limited. Prior to joining the Company, he was incharge of Machine Building Division, and was designated as Vice President (Machine Building) of Mukand Limited.

Shri K. P. Jotwani has been associated with the Company since

1st February, 1997 as the Chief Executive of the Company and the Board of Directors at its meeting held on 29th June, 1998 had appointed him as the Chief Executive and “Manager” of the Company. He resigned on 28th January, 2000 to join Mukand Limited to head its Machine Building Division. Since 1st February, 2000, he was on the Board as Director of the Company, and resigned on 31st May, 2002.

Shri K. P. Jotwani, the “Manager” of the Company will be entrusted with substantial powers of the Management and will perform such functions as may, from time to time be decided by the Board of Directors.

The draft agreement between the Company and Shri K. P. Jotwani is available for inspection at the Registered Office of the Company between 10.00 a.m. and 12.30 p.m. on all working days of the Company up to and including the day of the Meeting. Remuneration payable per month will be subject to the approval by the Board from time to time within the maximum limit as under. The draft Agreement, *inter alia*, contains the following terms and conditions effective from 1st June, 2011.

- Period of Agreement : Two years
- Basic Salary : ₹ 60,000/- per month
- House Rent Allowance : 50% of Basic Salary
- Special Allowance : ₹ 40,000/- per month
- Personal Allowance : ₹ 90,000/- per month
- Company's contribution to Provident Fund and Superannuation Funds.
- Gratuity at the rate of one month's salary for each completed year of service.
- Leave with full pay as per the Rules of the Company,
- Company will take insurance cover for accident and hospitalization to self and family in India or abroad.
- Reimbursement of gas, electricity, water charges, soft furnishings, house repairs, furniture repairs and domiciliary medical expenses.
- Reimbursement of actual traveling expenses for proceeding on leave from Mumbai to any place and return therefrom in respect of self and family in accordance with the rules specified by the Company from time to time.
- Reimbursement of membership fee for clubs in India or abroad including any admission / life membership fee.
- Free use of Company's car and reimbursement of operating and maintenance expenses including driver.
The ceiling for item (i), (j), (k), (l) and (m) is ₹ 3,30,000/- per annum.
- Telephone, telefax and other communication facilities at the residence.
- Subject to statutory ceiling/s, the “Manager” may be given any other allowance/s, perquisites, benefits and facilities as the Board of Directors from time to time may decide.
- Unutilised leave as on 31st May, 2011 will be available for use in future / encashment during the period of continuity of service and balance at the end of tenure.

In the absence or inadequacy of profits in any financial year, Shri K. P. Jotwani will be paid the above remuneration within the ceiling laid down in Section II (B) of Part II of Schedule XIII to Companies Act, 1956 upon the Resolution being passed as a Special Resolution.

Memorandum of Interest:

Except Shri K. P. Jotwani, none of the Directors of the Company is in any way, concerned or interested in the Resolution.

Pursuant to Section 302 of the Companies Act, 1956, this may be treated as abstract of the terms and conditions governing the appointment of Shri K. P. Jotwani, as the "Manager" of the Company.

Information pursuant to clause (iv) of the proviso to para (B) of section II, part II of Schedule XIII to the Companies Act, 1956 is furnished hereunder:

I. GENERAL INFORMATION:

(1) Nature of industry: The Company is engaged in the business of execution of projects in core sectors, handling of all areas of construction, erection and commissioning of equipments, project and design engineering, site fabrication work and giving loans and guarantees on behalf of other corporates.

(2) Commencement of commercial production: The Company has no plants as the Company carries out various job at different sites of customers, hence the question of date of commencement of commercial production does not arise.

(3) Financial performance based on given indicators: The financial performance of the Company as reflected by total income, profit, earning per share and dividend recommended for the financial year ended 31st March, 2011 is as under:-

(₹ in Million)

a. Total Income	822.80
b. Profit before tax	95.88
c. Profit after tax	66.10
d. Earning per share (₹)	5.19
e. Rate of Dividend (on equity shares)	15%

(4) Export performance & Net Foreign Exchange Earnings / Outgo: As the Company is engaged in engineering construction activities in India, the question of export performance, foreign Exchange Earnings / Outgo does not arise.

(5) Foreign investments or collaborations: NIL

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details: The relevant information is already given in the Explanatory Statement of the Notice here in above.

(2) Past remuneration: The gross remuneration drawn by the appointee during the past 3 years is as under:

Financial Year	(₹ in Million)
2008-2009	: 1.80
2009-2010	: 2.45
2010-2011	: 2.53

(3) Recognition or awards: NIL

(4) Job profile and suitability: Shri K. P. Jotwani is responsible for booking orders from Steel, Aluminium and Power sectors and its execution thereof.

Shri K. P. Jotwani is a Mechanical Engineer of 1965 batch with post Graduation in Industrial Engineering in 1975 from University of Bombay. He has been with Mukand Limited since February 1966 and has worked through design, marketing, planning and execution. He was responsible for development of non-crane business in Machine Building Division. He executed MMSM Project of VSP from 1986 to 1990 and also BOF Project of Rourkela Steel Plant from 1994 to 1997. Since 1997 he has been the Chief Executive with MEL. During his tenure, business has been developed with SAIL, IISCO, NTPC, BHEL and Vedanta. He has experience of more than 43 years in this engineering business. He is the link between Execution Group and the Board.

(5) Remuneration proposed: As mentioned herein above

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: The remuneration proposed takes into consideration nature and size of business operations; the qualifications, experience and contribution of appointee to all-round growth of the Company; present trends and norms observed in the industry for payment of managerial remuneration by companies of comparable size and nature of business.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: He does not have any pecuniary relationship with the Company except as remuneration drawn as "Manager" and as a shareholder to the extent of his shareholdings, if any, in the Company.

III. OTHER INFORMATION:

The Company is making profits hence the question of (1) Reasons of loss or inadequate profits (2) Steps taken or proposed to be taken for improvement (3) Expected increase in productivity and profits in measurable terms does not arise.

**By Order of the Board
For Mukand Engineers Limited**

**P. R. Dhruva
Company Secretary**

**Place : Mumbai
Date : 26th May, 2011**

DIRECTORS' REPORT

TO THE MEMBERS,

- Your Directors present the Twenty Fifth Report and the Audited Statement of Accounts of the Company for the year ended 31st March 2011.

2. Financial Results:

	(₹ Million)	
	Current Year	Previous Year
Profit for the year before tax	95.88	123.47
Less: Provision for Tax (including deferred tax)	29.28	41.55
Profit for the year after Tax	66.60	81.92
Less: Short Provision for Tax for earlier years	0.50	-
Less: Prior Period Adjustment (Net)	0.89	-
Profit after Tax and Prior Period Adjustment	65.21	81.92
Balance brought forward from previous year	139.95	84.12
Balance available for appropriations	205.16	166.04
Appropriations:		
Proposed Dividend and Tax thereon	21.92	21.99
Transfer to General Reserve	3.26	4.10
Balance carried to the Balance Sheet	179.98	139.95

3. Dividend:

The Directors recommend dividend of 15 % on equity shares. The dividend and tax thereon shall absorb ₹ 21.92 million from surplus generated from the operations during the year.

4. Operations:

4.1 General

The income from operations, and other income during the year was ₹ 822.80 Million compared to ₹ 1316.41 Million in the corresponding previous year. Income from operations was lower due to non availability of work fronts from client as per the original schedule of the contract. This resulted in lower profit of ₹ 65.21 Million during the year as compared to ₹ 81.92 Million in the previous year.

4.2 Engineering

4.2.1 The income from Engineering operation during the year was ₹ 747.17 Million as against ₹ 1213.18 Million in previous year. Engineering operations earned profit before interest of ₹ 147.67 Million during the year under review as compared to profit of ₹ 123.57 Million in the previous year.

4.2.2 New orders amounting to ₹ 344.99 Million were received during the year and the outstanding orders as at the end of the year were ₹ 1500.97 Million as against ₹ 1714.86 Million at the beginning of the year.

The infrastructure industry is growing and the investment in expansion / new projects of Petroleum, Steel & Power is also increasing. This will increase demand for Engineering work in the coming year.

4.3 Infotech

The Income from Infotech operations remained same. Infotech operations earned profit before interest of ₹ 22.87 Million during the year under review as compared to ₹ 26.21 Million in the previous year.

5 Fixed Deposits

The Company held ₹ 159.42 Million as Public deposits as of 31st March 2011, out of which, deposits aggregating ₹ 2.26

Million have matured but remain unclaimed as on that date. The Company sends reminder letters to the Fixed Deposit Holders before the date of Maturity of their Fixed Deposits and also if the Fixed Deposit Receipt/s / Interest Warrants etc. are returned undelivered. Company also follows up with such cases to ensure that the Investors get their money.

6. Corporate Governance:

Pursuant to Clause 49 of the listing agreement, a report on Corporate Governance, along with Auditor's certificate regarding compliance of conditions of Corporate Governance and Management Discussion and Analysis is separately given in this Report.

7. Other Information:

7.1 As the Company does not own an undertaking where manufacturing operations are carried out, the information to be furnished under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable. However, the Company is in the process of implementing "Systems Applications and Products in Data Processing" (popularly known as "SAP"), a Computerized Program in its accounting system.

7.2 During the year under review there are neither foreign exchange earnings nor foreign exchange outgo.

7.3 There are no employees covered under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

8. Directors' Responsibility Statement:

As required by Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed;
- appropriate accounting policies have been selected and applied consistently, and have 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 as at 31st March 2011 and of the profit of the Company for the year ended 31st March 2011.
- proper and sufficient care has been taken 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;
- the annual accounts have been prepared on a going concern basis.

9. Directors:

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Shri Niraj Bajaj and Shri Prakash V Mehta, Directors of the Company retire by rotation and are eligible for re-appointment.

10. Auditors:

Messrs. K. K. Mankeshwar & Co., Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

11. Auditors' Report:

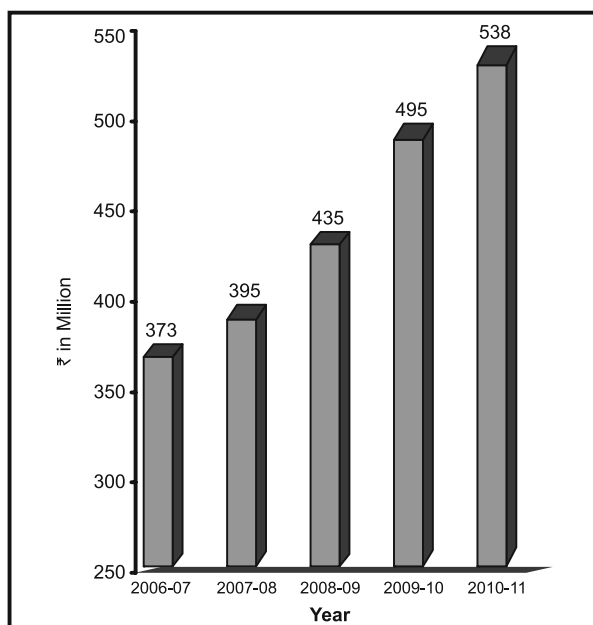
The notes referred to in the Auditors' Report are self-explanatory and hence, do not call for any comments under Section 217 of the Companies Act, 1956.

For and on behalf of the Board of Directors

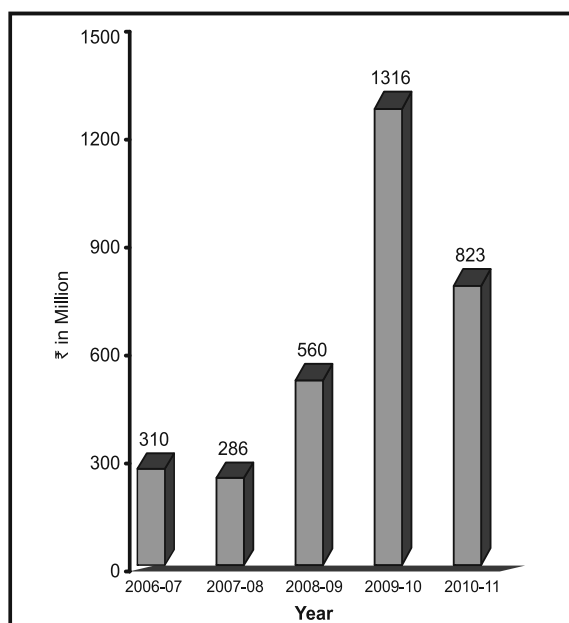
Place : Mumbai,
Date : 26th May, 2011.

Rajesh V. Shah
Chairman

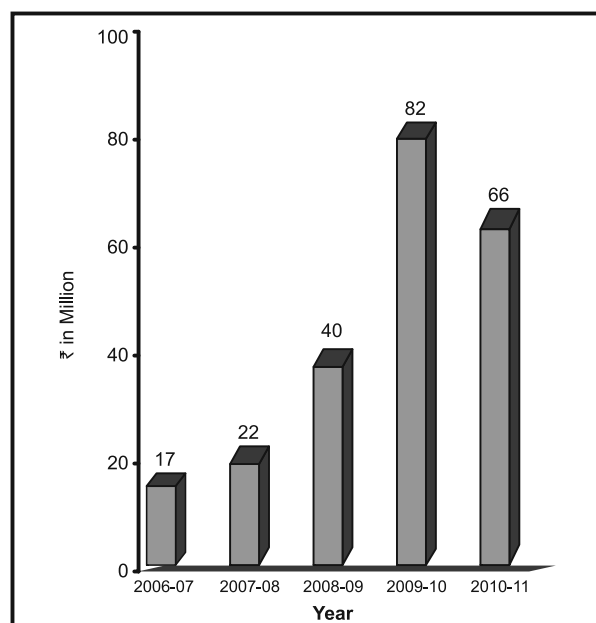
Net Worth



Income from Operations Including Other Income



Profit after Tax



REPORT ON CORPORATE GOVERNANCE

(As required by Clause 49 of the Listing Agreement with Stock Exchanges)

1. Company's Philosophy:

Your Company believes that the fundamental objective of Corporate Governance is enhancing the interests of all shareholders / stakeholders. The Company's Corporate Governance practices emanate from its commitment towards discipline, accountability, transparency and fairness. The main elements of Corporate Governance are timely and adequate disclosures, compliance of strict internal control systems and procedures, high standard of accountability, fidelity, product and service quality.

Your Company also believes that good Corporate Governance practices help to enhance performance of the Company and shareholder's values.

2. Board of Directors:

(a) Composition and size of the Board:

The Board of Directors of the Company consists of five Directors including the Non-Executive Chairman. All these five Directors are Non-Executive Directors out of which three Directors are Independent Directors. The Company did not have any pecuniary relation or transaction with Non-Executive Directors during the year under review.

(b) Board Meetings:

During the year four Board Meetings were held on May 25, 2010, July 29, 2010, October 26, 2010 and February 07, 2011. The Board was presented with the relevant and necessary information. None of the Directors is a member of more than ten Committees or acting as Chairman of more than five Committees across all Companies in which he is a Director. The attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorships is given herein below:

Name of the Director	Cate-gory	Attendance Board Meetings	Particulars Last AGM	No.of Director-ships in Public Limited Comp-anies	No.of Member-ship (M) (C) in other Board Commit-tees(s)	No.of Shares held in Company as at 31.03.2011
Shri Rajesh V. Shah	C. NED	4	Yes	6	2 (M)	64220
Shri Niraj Bajaj	NED	4	Yes	11	--	411500
Shri Prakash V. Mehta	NED	4	Yes	7	11 (M) / 1(C)	Nil
Shri T. S. Anand	NED	4	Yes	2	--	Nil
Shri N. Ramanathan	NED	3	Yes	--	--	400

C: Chairman, NED: Non-Executive Director.

(c) Re-appointment of Directors:

Shri Niraj Bajaj and Shri Prakash V. Mehta are liable to retire by rotation and being eligible offer themselves for re-appointment. Information as required under Clause 49 of the Listing Agreement is given hereunder:-

Name of the Director	Shri Niraj Bajaj	Shri Prakash V. Mehta
Date of appointment	July 27, 1992	August 19, 1992
Expertise in Specific Functional areas	Providing valuable guidance on matters relating to strategic planning and performance, expansion, diversification, new business.	Joint Ventures and Foreign Collaborations, Property and Corporate Laws.
List of other Directorships held (in listed Companies)	1) Mukand Ltd. 2) Hind Rectifiers Ltd. 3) Bajaj Auto Ltd. 4) Hindustan Housing Co.Ltd. 5) Zensar Technologies Ltd.	1) Bharat Bijlee Ltd. 2) PCS Technologies Ltd. 3) W. H. Brady & Co. Ltd. 4) JBF Industries Ltd. 5) Hikal Ltd. 6) Advani Hotels & Resorts (I) Ltd. 7) Mukand Ltd.
Chairman / Member of the Committee of the Board of other Companies in which he is a Director	Chairman: Nil Member: Nil	Chairman : A) <u>Remuneration Committee</u> 1) JBF Industries Ltd. Member : A) <u>Audit Committee</u> 1) Bharat Bijlee Ltd. 2) Advani Hotels & Resorts (I) Ltd. 3) Hikal Ltd. 4) Mukand Ltd. B) <u>Shareholders and Investors Grievance Committee</u> 1) Bharat Bijlee Ltd. 2) JBF Industries Ltd. 3) Hikal Ltd. C) <u>Remuneration Committee</u> 1) Bharat Bijlee Ltd. 2) Advani Hotels & Resorts (I) Ltd. 3) Hikal Ltd. 4) Mukand Ltd.

3. Audit Committee :

The Audit Committee consists of Shri Rajesh V. Shah, Shri Prakash V. Mehta (Chairman of the Meeting), Shri T. S. Anand and Shri N. Ramanathan as Members, all of whom are independent Directors except Shri Rajesh V. Shah. The terms of reference of the Audit Committee specified by the Board are as contained in Clause 49 of the Listing Agreement. All the members of the Audit Committee are financially literate and one member is having accounting and related financial management expertise.

During the year under review, the Audit Committee met four times on May 25, 2010, July 29, 2010, October 26, 2010 and February 07, 2011. These meetings were also generally attended by the Statutory Auditors, Internal Auditors, Shri Niraj Bajaj, Director, Shri S. B. Jhaveri, Advisor to the Board, Shri K.P. Jotwani, "Manager" and Shri J. S. Shrivastav, Chief of Accounts and Shri R. G. Goltakar, Deputy Chief of Accounts as invitees whenever required. Shri P. R. Dhruva, Company Secretary acts as Secretary to the Audit Committee. Apart from considering unaudited and/or audited financial results for the relevant quarter, half year and the year, before submission to the Board for its approval, the Committee focused its attention on other matters which *inter-alia* included key areas impacting the overall performance of the Company and major accounting policies and practices, review of internal control system, review of current site progress and Management Information System.

The attendance at the Audit Committee Meetings during the year is given herein below:

Name of the Director	Category	Attendance Particulars Number of Meetings Attended
Shri Prakash V. Mehta	C. NED	4
Shri T. S. Anand	NED	4
Shri Rajesh V. Shah	NED	4
Shri N. Ramanathan	NED	3

C: Chairman, NED: Non-Executive Director.

4. Remuneration Committee and Policy:

The Company has not constituted a Remuneration Committee. The decision regarding remuneration of the "Manager" under the Companies Act, 1956 are taken by the entire Board subject to such approvals as may be necessary. The Company does not pay any remuneration to the Non-Executive Directors except payment of sitting fees for attending the Board / Audit Committee meetings, details of which are given below. However, Shri Rajesh V. Shah, Chairman and Shri Niraj Bajaj, Director of the Company have waived their sitting fees w.e.f. June 30, 2003.

Remuneration paid to Shri K. P. Jotwani "Manager" under the Companies Act, 1956 for the year ended 31st March, 2011.

Particulars	₹
Salary and allowances	2,178,702
Contribution to Provident Fund & Other Funds	149,559
Perquisites (<i>including approx. money value</i>)	201,487
TOTAL	2,529,748

The employee wise break up of liability on account of Retirement Schemes based on Actuarial Valuation is not ascertainable. The amounts relatable to the 'Manager' will be, therefore, disclosed in the year of payment.

Sitting fees paid to the Directors for the year ended 31st March, 2011.

Sr. No.	Name of the Director	₹
1.	Shri Prakash V. Mehta	68,000
2.	Shri T. S. Anand	68,000
3.	Shri N. Ramanathan	48,000
	TOTAL	184,000

The Company has not issued stock options to any of its Directors.

5. Shareholders' / Investors' Grievance Committee:

The Company had constituted Shareholders' / Investors' Grievance Committee consisting of Shri Rajesh V. Shah as the Chairman, Shri Niraj Bajaj and Shri T. S. Anand as Members. The Company Secretary acts as Compliance Officer to the Committee. The meeting of the said Committee was held on May 25, 2010 which was attended by all the members.

There were no major complaints from the shareholders. The

functions of Investors' Grievance Committee are to review and redress Shareholders' / Investors' query / grievance / complaint on matters relating to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. Such matters were attended by the Registrar & Transfer Agents within stipulated time and some of the routine complaints were also directly attended by the Company Secretary.

The Committee also oversees the performance of the Registrars and Transfer Agents and recommends measures for overall improvement in the quality of Investors Services.

6. Annual General Meetings:

- (a) The last three Annual General Meetings were held at Kamalnayan Bajaj Hall, Bajaj Bhawan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021 on the following dates and time:

Financial Year	Date	Time
2009-2010	July 29, 2010	3:30 p.m.
2008-2009	July 28, 2009	3:30 p.m.
2007-2008	July 30, 2008	3:30 p.m.

- (b) Following Special Resolutions were adopted in the above three Annual General Meetings

Financial Year	Date of Annual General Meeting	Particulars of Resolution
2009-2010	July 29, 2010	Nil
2008-2009	July 28, 2009	Nil
2007-2008	July 30, 2008	Appointment of Shri K. P. Jotwani as the "Manager" of the Company, as defined under Section 2(24) of the Companies Act, 1956, for a period of three years with effect from 1st June, 2008.

- (c) There were no Resolutions passed vide Postal Ballot during the year.

7. Disclosures :

There were no transactions of material significance entered into by the Company with its Promoters, Directors or their relatives, Companies, Management or their relatives during the year, which have potential conflict with interests of the Company, at large. The details of transactions with related parties entered into in the ordinary course of business are disclosed in the accounts and are placed before the Audit Committee. There was no default in compliance on any matters related to capital markets. Consequently, during the last three years neither any penalties were imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any statutory authority.

No transaction with related parties or others have been entered into which are not at arm's length.

The Company receives professional services in the normal course of business from M/s. Malvi Ranchoddas & Co., a legal firm in which Shri Prakash V. Mehta is a partner. In the opinion of the Board, these transactions do not affect the independence of the said Director.

The process of identification and evaluation of various risks inherent in the business environment and operations of the Company and initiation of appropriate measures for prevention and / or mitigation of the same is dealt with by the Operational Head under the supervision of the "Manager" who has overall responsibility towards the Board of Directors of the Company.

The Company has adopted a Code of Conduct for its Directors and Senior Management cadres in the meeting of the Board of Directors of the Company.

The Company has also instituted a Code of Conduct for prevention of Insider Trading on the securities of the Company for its Directors and key Managerial persons as required by SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended.

8. Means of Communication :

Quarterly / half yearly un-audited and yearly audited results are published in English and local language newspapers as specified by SEBI and as required under the Listing Agreement. The Management Discussion and Analysis is a part of the Annual Report. All financial and other vital information is promptly communicated to the Stock Exchanges on which the Company's Shares are listed.

g. Stock Market Data :

Month	Bombay Stock Exchange Ltd. (BSE)			The National Stock Exchange (NSE)		
	Month's High Price (in ₹)	Month's Low Price (in ₹)	Total Volume of Shares Transacted (Nos.)	Month's High Price (in ₹)	Month's Low Price (in ₹)	Total Volume of Shares Transacted (Nos.)
Apr - 2010	57.50	47.50	657090	57.50	47.90	885012
May - 2010	52.90	42.00	987798	52.70	41.30	1170112
June - 2010	60.10	47.35	831815	59.60	47.05	898910
July - 2010	59.80	47.15	778069	59.75	47.25	766523
Aug - 2010	55.00	44.40	737758	54.90	42.30	715265
Sep - 2010	51.50	45.05	287576	51.50	45.10	320886
Oct - 2010	50.50	42.50	271186	50.45	41.70	263734
Nov - 2010	55.25	37.50	747880	55.00	38.05	947372
Dec - 2010	44.50	35.00	572392	46.00	34.60	223175
Jan - 2011	42.30	33.60	148125	42.50	33.50	189167
Feb - 2011	35.25	25.55	117847	35.45	25.65	117506
Mar - 2011	31.05	26.80	165945	31.90	26.60	131382

9. General Information for Shareholders :

- Registered Office Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021
- Date, Time and Venue of Annual General Meeting Thursday, 28th July, 2011 at 3:30 p.m. Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021.
- Reporting in the Financial Calendar 2011-2012:
 - June 30, 2011 On or before August 14, 2011
 - September 30, 2011 On or before November 14, 2011
 - December 31, 2011 On or before February 14, 2011
 - For the year ending March 31, 2012 On or before May 30, 2012
- Dates of Book Closure 23rd July, 2011 to 28th July, 2011(both days inclusive)
- Listing Details :
The Company's Shares are listed on the Stock Exchanges at Mumbai (Bombay Stock Exchange Ltd., Mumbai and The National Stock Exchange of India Ltd.). The Company has paid the listing fees for the period from April 1, 2011 to March 31, 2012 to both the Stock Exchanges where the shares of the Company are listed.
- Stock code
 - Bombay Stock Exchange (BSE) 532097
 - The National Stock Exchange (NSE) MUKANDENG
 - ISIN INE 022B01014