



# Nagreeka

EXPORTS LIMITED



Report  junction.com

**SIXTEENTH  
ANNUAL  
REPORT  
2004-2005**

<b>BOARD OF DIRECTORS</b>	:	Shri Ishwar Lal Patwari	- Chairman
		Shri Sushil Patwari	- Vice Chairman & Managing Director
		Shri Dwarka Prasad Agarwal	- Director
		Shri Kashmiri Lal Agarwal	- Director
		Shri Kailash Chandra Purohit	- Whole - time Director
		Shri Mohan Kishen Ogra	- Director
		Shri Vibhuti Charan Talukdar	- Director
		Shri Mahendra Patwari	- Whole - time Director
		Shri Sunil Patwari	- Managing Director
<b>COMPANY SECRETARY</b>	:	Shri J. Tiwari	
<b>BANKERS</b>	:	Canara Bank, Overseas Branch, Kolkata	
		ING Vysya Bank Limited, Overseas Branch, Mumbai	
		Oriental Bank of Commerce, Overseas Branch, Kolkata	
<b>AUDITORS</b>	:	M/s. Das & Prasad	
		Chartered Accountants	
		9, Jagmohan Mullick Lane,	
		Kolkata - 700 007.	
<b>TRANSFER AGENT</b>	:	M/s. Maheshwari Datamatics Pvt. Ltd.	
		6, Mangoe Lane, 2nd Floor,	
		Kolkata - 700 001.	
<b>REGISTERED OFFICE</b>	:	18, R. N. Mukherjee Road,	
		Kolkata - 700 001.	
<b>CORPORATE OFFICE</b>	:	7, Kala Bhavan,	
		3, Mathew Road,	
		Mumbai - 400 004.	
<b>WORKS</b>	:	Village Yavluj, Taluka Panhala,	
		Dist. Kolhapur (Maharashtra)	

## CONTENTS

	Page No.
Notice.....	1
Directors' Report.....	3
Management Discussion and Analysis .....	4
Report on Corporate Governance .....	5
Auditors' Report .....	9
Balance Sheet .....	11
Profit & Loss Account .....	12
Cash Flow Statement .....	13
Schedules & Notes on Accounts .....	14
Balance Sheet Abstract .....	28



## NOTICE

Notice is hereby given that the 16<sup>th</sup> Annual General Meeting of the **Members of Nagreeka Exports Limited**, will be held at **Bengal National Chamber of Commerce and Industries**, 23, R.N. Mukherjee Road, Kolkata-700 001, on Wednesday, the 28<sup>th</sup> September, 2005 at 10.30 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2005, the Profit and Loss Account for the year ended on that date and reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Sri K.C. Purohit who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri I.L. Patwari who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sri Sushil Patwari who retires by rotation and being eligible, offers himself for re-appointment.
5. To declare dividend on equity shares.
6. To appoint Auditors of the Company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:-  
"Resolved that Sri Bibhuti Charan Talukdar be and is hereby appointed as Director of the Company, whose period of office shall be liable to determination by retirement of Director by Rotation."
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:-  
"Resolved that, pursuant to section 31 of the Companies Act, 1956, the Articles of Association of the Company be and is hereby amended in as much as after Article 16(2), the following new article be inserted and numbered as 16(3):-  
The option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting."
9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:-  
"Resolved that, pursuant to section 31 of the Companies Act, 1956, the Articles of Association of the Company be and is hereby amended in as much as in the article 110, after the cluster of words "in respect of unclaimed dividend", the following cluster of words should be added :-  
However, there shall be no forfeiture of unclaimed dividend before the claim becomes barred by laws".

By order of the Board

For **NAGREEKA EXPORTS LTD**

**J. TIWARI**

Place : Kolkata

Date : 30<sup>th</sup> June, 2005.

(COMPANY SECRETARY)

### NOTE :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the special business to be transacted at the meeting is annexed hereto.

4. Members are requested to notify immediately any change in their addresses, if any, to the Registrar and Share Transfer Agent M/s. Maheshwari Datamatics (P) Ltd., 6, Mangoe Lane, Kolkata - 700 001.
5. Members are requested to bring their copies of Annual Report at the Meeting and produce attendance slip at the entrance.
6. The Register of Members and Share Transfer Books will remain closed from 21.09.2005 to 28.09.2005 (both days inclusive).
7. Dividend, if approved at the Annual General Meeting, will be paid to those members whose names will appear in the register of members on 28.09.2005 (including the list of members supplied by NSDL / CDSL for members holding shares in Demat Form as on 28.09.2005).
8. Members intending to require information, about accounts, to be explained at the meeting are requested to write to the Company at least ten days in advance of the Annual General Meeting (AGM).
9. Pursuant to Section 205 A of the Companies Act, 1956 all unclaimed dividends upto the financial year ended 31<sup>st</sup> March, 1994 have been transferred to the General Revenue Account of the Central Government. Members, who have not encashed the Dividend warrants for the said period(s) are requested to claim the same from Registrar of Companies, West Bengal.
10. Details of the Directors retiring by rotation and being proposed for re-appointment and also regarding Director(s) seeking appointment are as under:-

#### (a) Mr. K.C. Purohit

Date of Birth : 18.06.1932  
Date of Appointment : 30.06.2001  
Qualification : B.Tech.  
Experience : 47 years  
Other Directorship : NIL

#### (b) Mr. I.L. Patwari

Date of Birth : 06.03.1932  
Date of Appointment : 06.03.1989  
Qualification : B.Com, FCA.  
Experience : 50 years  
Other Directorship : 1. Sterlite Industries (I) Ltd.  
2. Nagreeka Synthetics Pvt.Ltd.

#### (c) Mr. Sushil Patwari

Date of Birth : 20.08.1954  
Date of Appointment : 06.03.1989  
Qualification : B.Com  
Experience : 33 years  
Other Directorship : 1. Reliance Processors Ltd.  
2. Nagreeka Software Technologies Ltd.  
3. Rupa & Company Ltd.  
4. Nagreeka Synthetics Pvt.Ltd.

#### (d) Mr. B.C. Talukdar

Date of Birth : 01.03.1936  
Date of Appointment : 30.06.2005  
Qualification : PC D.BM  
Experience : 47 years  
Other Directorship : 1. Indian City Properties Ltd.  
2. Gupkar Investments & Holdings Ltd.  
3. H.P. Cotton Textile Mills Ltd.  
4. Prabhu Switchgear Pvt.Ltd.


**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**
**ITEM NO.7**

Mr. Bibhuti Charan Talukdar was appointed as Additional Director in the Board meeting held on 30.06.2005. As per the provisions of Section 260 of the Companies Act, 1956, he would hold the office of Director till the conclusion of the forthcoming Annual General Meeting. However, the company has received a Notice, in writing, from a Member of the company, under section 257 of the Companies Act, 1956, informing that he would propose the name of Mr. Bibhuti Charan Talukdar for the office of Director in the forthcoming Annual General Meeting. The concerned member has also deposited with the company requisite money as required under section 257 of the Companies Act, 1956.

The Board of Directors recommends the resolutions for approval of the Members.

Save and except Mr. Bibhuti Charan Talukdar no Director of the company is concerned or interested in the resolution being Item No.7 of the Notice.

**ITEM NO.8**

It is proposed to alter the Articles of Association of the Company in the manner as stated in item No.8 of the Notice convening the Annual General Meeting. The amendment is proposed to fulfill one of the requirements of National Stock Exchange of India Ltd. in connection with listing of the Companies equity shares on the said exchange. The Board of Directors recommends the resolution for approval of the members.

No Director of the Company is concerned or interested in the special resolution being Item No.8 of the Notice.

**ITEM NO.9**

It is proposed to alter the Articles of Association of the Company in the manner as stated in item No.9 of the Notice convening the Annual General Meeting. The amendment is proposed to fulfill one of the requirements of National Stock Exchange of India Ltd. in connection with listing of the company's equity shares on the said exchange. The Board of Directors recommends the resolution for approval of the members.

No Director of the Company is concerned or interested in the special resolution being Item No.9 of the Notice.

Place : Kolkata

Date : 30<sup>th</sup> June, 2005.

By order of the Board

**J. TIWARI**

(COMPANY SECRETARY)



## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the **16<sup>th</sup> Annual Report** on the affairs of the Company together with the Audited Statements of Accounts for the year ended **31<sup>st</sup> March, 2005**.

### FINANCIAL RESULT :

	2004-2005 (Rs.in lacs)	2003-2004 (Rs.in lacs)
<b>GROSS PROFIT</b>	<b>924.15</b>	976.44
Interest	<b>134.44</b>	193.05
Depreciation	<b>289.46</b>	283.20
<b>PROFIT BEFORE TAXATION</b>	<b>500.25</b>	500.19
Provision for taxation	<b>(178.25)</b>	(102.02)
Deferred Taxation Assets (Liability)	<b>67.77</b>	21.87
(Short) Excess Provision for Income Tax written back.	<b>(7.96)</b>	0.44
<b>PROFIT AFTER TAXATION</b>	<b>381.81</b>	420.48
Profit Brought Forward from Previous Year	<b>301.57</b>	82.20
<b>PROFIT AVAILABLE FOR APPROPRIATIONS</b>	<b>683.38</b>	502.68
<b>APPROPRIATION</b>		
Transfer to General Reserve	<b>200.00</b>	201.57
Proposed Dividend	<b>97.10</b>	
Tax on Dividend	<b>12.60</b>	
Balance carried to Balance Sheet	<b>373.59</b>	301.57
	<b>683.38</b>	502.68

### DIVIDEND

Your Directors are pleased to recommend payment of Dividend @Rs. 1/- per Equity Share of Rs. 10/- in respect of the year ended 31<sup>st</sup> March, 2005. The total cash outgo including Dividend Tax will be Rs. 109.79 lacs.

### REVIEW OF OPERATION

The Company's turnover for the year ended 31<sup>st</sup> March, 2005 has been Rs. 12,235 lacs. Profit after tax for the year under review is Rs. 381.81 lacs as against Rs. 420.48 lacs in the previous year due to higher tax liability for the year 2004-05 at Rs. 178.25 as compared to Rs. 102.02 in the previous year.

### FUTURE PROSPECT

Dismantling of quota system from 01.01.2005 is a positive development for Indian Textile Industry and the impact is clearly felt by the industry as demand is growing and realisation is improving.

Another positive factor is Textile Up-gradation Fund Scheme announced by the Government of India way back in 1999 where financially and technically viable units are offered interest rate subsidy of 5% on term loans availed by textile companies for modernisation and expansion project.

The Company has already started modernisation of existing spinning capacity of 26,208 spindles, the scheme is designed to replace all Ring Spinning Frames, Cards and slow speed Combers with new generation technically upgraded machines. 50% of Ring Spinning Frames are already replaced and remaining will be replaced by end of December, 2005.

The Company is also expanding spinning capacity from 26,208 spindles to 55,440 spindles. We have already started civil work, placed orders for plant and machinery and awarded contracts for other auxiliary requirements. Your Directors are hopeful to start commercial production of expanded capacity in first quarter of financial year 2006-07.

### PUBLIC DEPOSIT

Your Company has not accepted any deposits during the year under review within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules 1975.

### DIRECTORS

Mr. K.C. Purohit, Mr. I.L. Patwari and Mr. Sushil Patwari retire by

rotation at the ensuing Annual General Meeting and all of them being eligible, have offered themselves for re-appointment. Mr. Bibhuti Charan Talukdar was appointed as Additional Director in the Board meeting held on 30.06.2005. As per the provisions of Section 260 of the Companies Act, 1956, he would hold the office of Director till the conclusion of the forthcoming Annual General Meeting. However, the company has received a Notice, in writing, from a Member of the company, under section 257 of the Companies Act, 1956, informing that he would propose the name of Mr. Bibhuti Charan Talukdar for the office of Director in the forthcoming Annual General Meeting. The concerned member has also deposited with the company requisite money as required under section 257 of the Companies Act, 1956.

### DIRECTORS' RESPONSIBILITY STATEMENT

As per Section 217 (2AA) of the Companies Act, 1956, Your Directors State that :

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed with the proper explanation to material departure wherever applicable.
2. They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of affairs of the Company at the end of the financial year on 31<sup>st</sup> March 2005, and of the profit of the Company for that period.
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis are covered in a separate report annexed hereto and marked as Annexure "B".

### CORPORATE GOVERNANCE

A separate report on Corporate Governance is enclosed as part of this annual report and marked as Annexure "C". Requisite Certificate from the Auditors of the Company regarding compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the report of Corporate Governance.

### AUDITORS :

M/s. Das & Prasad, Chartered Accountants, Kolkata, the Auditor of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

### AUDITORS' REPORT

The observation made by the auditor in their Report together with Notes on Accounts are self explanatory and, therefore, do not call for any further explanation under Section 217 (3) of the Companies Act, 1956.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure - "A" to this report.

### PARTICULARS OF EMPLOYEES

None of the employees are drawing remuneration exceeding Rs.2.00 Lacs per month or Rs.24.00 Lacs per year. Hence, details required to be furnished in accordance with Sub Section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable.

### APPRECIATION

Your Directors wish to place on record their acknowledgement of the contribution made by the employees and workers of the company. Your Directors are also grateful to various State Governments, Semi-Governments Authorities, Banks and Financial Institutions for their support to your Company.

By order of the Board

Place : Kolkata  
Date : 30<sup>th</sup> June, 2005

I.L.Patwari  
(Chairman)



## ANNEXURE "A" TO DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULE, 1988.

### A. CONSERVATION OF ENERGY

The plant incorporates the latest technology for the conservation of energy. Particulars with respect to Conservation of Energy are given in Form-A.

#### Form - A

Forth of disclosure of particulars with respect to conservation of energy

	Year Ended 31.03.2005	Year Ended 31.03.2004
<b>1. Power Consumption</b>		
i) Electricity		
a Purchased units (in lakhs)	183.61	144.32
Total amount (Rs. in lacs)	598.43	505.55
Rate per unit (Rs.)	3.25	3.50
b) Own Generation		
Through Diesel Generator		
Total Unit Generated (in lacs)		
Units per litre of Diesel Oil	3.37	3.52
Cost per unit (Rs.)	6.95	3.70
ii) Coal	Nil	Nil
iii) Furnace Oil	Nil	Nil
iv) Other Internal General	Nil	Nil
<b>2. Consumption per unit of production</b>		
i) Electricity unit per kgs. of yarn	3.87	4.18
ii) Furnace Oil	Nil	Nil

### B. TECHNOLOGY ABSORPTION

Efforts made in Technology Absorption as per Form - B. Indigenous technology alone is used and Research and Development are carried out by separate Textile Research Association for Textile units, SITRA and BITRA and the Company is a member of these associations.

### C. FOREIGN EXCHANGE EARNING AND OUTGO

- Activities relating to Exports, initiatives taken to increase exports, development of new market for products and services and export plans.  
The Company is presently exporting yarn and other merchandise steps are being taken to explore new markets and products developments.
- Total Foreign Exchange earned and used

	2004-05 (Rs.)	2003-04 (Rs.)
Earning	92,06,44,784	90,57,75,619
Outgo	6,09,27,197	6,02,92,026

By order of the Board

Place : Kolkata  
Date : 30<sup>th</sup> June, 2005

I.L.Patwari  
(Chairman)

## ANNEXURE "B" TO DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS

#### INDUSTRY STRUCTURE AND DEVELOPMENTS

Textile and clothing sector is the largest employer after agriculture and its importance in India's economy is recognized for its contribution to industrial production and export earnings. With the phasing out of the Multi Fiber Arrangement and the removal of quantitative restrictions and scheduled dismantling of tariff barriers, the industry will be required to achieve a competitive strength for its survival in the global environment. In the globally integrated scenario new opportunity will emerge for the Indian Textile Industry while challenges in the form of credible threat of imports would also arise. The key to success will be a transformed mindset of the industry to get rid of technological obsolescence and pave way for modern industrial base.

#### OPPORTUNITIES AND THREATS

Dismantling of quota system will boost export of Indian Textile to United State and European Countries. India being a low cost producer of Textiles, offering international quality standard products and availability of required input will drive the growth.

Dismantling of quota system will also open international competition especially from China and Pakistan. China will offer tuff competition to India as China's textile growth will be driven by volume as they have a larger manufacturing base and low cost of production also.

#### RISKS & CONCERNS

Raw material prices and finished goods prices are highly volatile and not having a strict co-relation, Government policies on export incentives and appreciating Rupee vis-à-vis the US Dollar will adversely affect the margins.

#### INTERNAL CONTROL SYSTEM

The company has a system of internal control and documented procedures for all operating areas. The system is designated to ensure proper accounting, protection of assets from unauthorized use or disposal and adherence of business policies and procedures. The entire process of internal control systems is constantly monitored by the Audit Committee of the Board of Directors.

#### HUMAN RESOURCES

The Company's Human Resources Development Policy is endeavoured to maintain peace and harmony at all levels of the organization. We encourage people to optimize their contribution to the Company's development by maintaining work discipline, continuous improvement in efficiency and better utilization of resources.

#### CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations and predictions may be a 'forward looking statement' within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.



## ANNEXURE - C

### CORPORATE GOVERNANCE REPORT

#### 1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhancing the Share Holders' Value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important Policy matters.

#### 2. BOARD OF DIRECTORS

##### COMPOSITION

The Company has a combination of executive and non executive Directors. The Company has a Non-executive Chairman. The number of non-executive Directors are 50% of total number of Directors.

None of the Directors on the Board is a member of more than 10 committees and chairman of more than 5 committees [as per clause 49 (iv) (B)] across all the companies in which he is a Director. All the Directors have made requisite disclosures regarding committee positions occupied by them in other companies. The Company's Board at present has eight directors comprising of two Managing Directors, two Whole Time Directors and four Non Executive Directors.

The Board met Five times on the following dates during the financial year 2004-2005.

05.05.2004	30.06.2004	31.07.2004	29.10.2004	31.01.2005
------------	------------	------------	------------	------------

The names and categories of Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting as also the number of Directorships and committee positions as held by them in other Public Limited Companies as on 31.03.2005 are given below :

Name	Category	No. of Meetings held during the Financial Year	No. of Board Meetings attended during 2004-05	Whether attended AGM held on 25.09.2004	No. of Directorship in other Public Limited Companies	No. of Committee Positions held in other Public Limited Companies	
						Chairman	Member
Mr.I.L.Patwari	Promoter Non Executive	5	5	Yes	1	None	None
Mr.Sushil Patwari	Promoter Executive	5	3	Yes	3	None	3
Mr.Sunil Patwari	Promoter Executive	5	2	No	1	None	None
Mr.Mahendra Patwari	Executive	5	2	No	1	None	None
Mr.K.C.Purohit	Executive	5	2	No	NIL	None	None
Mr.M.K.Ogra	Independent Non Executive	5	4	Yes	3	None	2
Mr.K.L.Agarwal	Independent Non Executive	5	2	No	1	None	None
Mr.D.P.Agarwal	Promoter Non Executive	5	None	No	10	None	None

#### 3. COMMITTEES OF THE BOARD

##### A) AUDIT COMMITTEE

The Audit Committee comprises of three Directors viz. Mr. M.K.Ogra as Chairman of the Committee, Mr. K.L.Agarwal and Mr. I.L.Patwari as its members. Mr. J.Thwari, Company Secretary, is the Secretary of the Audit Committee. The terms of reference of the Audit Committee are as contained in the Corporate Governance Clause of the Listing Agreement.

The Audit Committee met on the following dates during the financial Year 2004-2005 :

30.06.2004	31.07.2004	29.10.2004	31.01.2005
------------	------------	------------	------------

##### ATTENDANCE OF THE AUDIT COMMITTEE MEETING:

Name of the Directors	Number of Meeting Held	Number of Meeting Attended
Mr.M.K.Ogra	4	4
Mr.I.L.Patwari	4	3
Mr.K.L.Agarwal	4	2

Necessary quorum was present at the meeting. Chief Finance Officer (C.F.O) and Representatives of Statutory Auditors of the Company are being invited to the Meetings, as and when required.



## B) SHARE HOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Company has an independent Shareholders' Grievance Committee.

The Committee comprises of :

1. Mr.M.K.Ogra	Chairman	Non Executive Independent Director
2. Mr.Sushil Patwari	Member	Executive – Promoter
3. Mr.Sunil Patwari	Member	Executive Promoter

Mr.J.Tiwari, Company Secretary acts as Secretary to the Committee.

The Committee met two times during the financial year 2004-2005 on 29.10.2004 and 31.01.2005.

The Committee is prompt in attending to requests received for transfer, split, consolidation as well as issue of duplicate share certificates well within the stipulated time. The number of Complaints received were very low and the same were dealt with suitably. Status of complaints for Financial Year 2004-05 are as under.

Number of complaints received from Investors for Non receipt of Dividend, Annual Reports, Share sent for Transfer and Transmission and Complaints received from SEBI and Stock Exchange	63
Number of Complaints resolved	63
Number of Complaints pending as on 31.03.2005	NIL

## C) REMUNERATION COMMITTEE

The Company has paid remuneration to Executive Directors according to approval granted by the members of the Company in the concerned Annual General Meetings. The Remuneration Committee comprised of the following three Directors of the Company:

1. Mr.M.K.Ogra	Chairman	Independent Non-Executive Director
2. Mr.K.L.Agarwal	Member	Independent Non-Executive Director
3. Mr.I.L.Patwari	Member	Promoter Non-Executive Director

One meeting was held during the financial year 2004-2005 on 30.06.2004 and all the members attended the same.

Given below are the details of remuneration paid to Directors during the financial year 2004-2005:

Name of Directors	Sitting Fees (Rs.)	Salary (Rs.)	Perquisites (Rs.)	Commission (for 2004-2004 paid during the year) (Rs.)
1. Mr.I.L.Patwari	17,000/-	-	-	-
2. Mr.Sushil Patwari	-	9,00,000/-	25,781/-	-
3. Mr.Sunil Patwari	-	9,50,000/-	40,000/-	-
4. Mr.Mahendra Patwari	-	4,50,000/-	-	-
5. Mr.K.C.Purohit	-	7,10,000/-	-	-
6. Mr.K.L.Agarwal	-	-	-	-
7. Mr.D.P.Agarwal	-	-	-	-
8. Mr.M.K.Ogra	22,000/-	-	-	-

Non-executive Directors are paid remuneration by way of sitting fees. The Company pays remuneration to its Managing/Whole Time Directors by way of salary and perquisites. Remuneration is paid as approved by the shareholders. The Board on the recommendations of the Remuneration Committee approves the annual increments. The appointment / reappointment of Managing/Whole Time Directors is contractual and subject to termination by three months' notice in writing on either side.

## 4. DETAILS OF GENERAL MEETINGS

Locations, Date and Time of General Meetings held during the last three years are as under:

Sr. No.	Year	Location	AGM/EGM	Date	Day	Time	No. of Special Resolution Passed
1.	2003-2004	Bengal National Chambers of Commerce and Industries, 23, R.N. Mukherjee Road, Kolkata-700001.	15 <sup>th</sup> A.G.M.	25.09.2004	Saturday	10.30 am	Nil
2.	2002-2003	Bengal National Chambers of Commerce and Industries, 23, R.N. Mukherjee Road, Kolkata-700001.	14 <sup>th</sup> A.G.M	27.09.2003	Saturday	10.30 am	2
3.	2001-2002	Jhajharia Committee Room, Merchants' Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata-700001	13 <sup>th</sup> A.G.M.	28.09.2002	Saturday	11.00 am.	1



**5. DISCLOSURES****RELATED PARTY TRANSACTIONS**

During the year, there was no material significant transaction with the directors, management, their relatives, etc. that have any potential conflict with the interest of the Company at large. Also there has not been any non compliance by the Company in respect of which penalties or strictures were imposed by Stock Exchanges or SEBI or any other statutory authorities during the last three years.

**6. GENERAL SHAREHOLDER INFORMATION :**

Annual General Meeting		
Date and Time	28 <sup>th</sup> September, 2005 at 10.30 a.m.	
Venue	Bengal National Chambers of Commerce and Industries, 23, R.N. Mukherjee Road, Kolkata 700 001.	
Financial Calendar (Tentative)	Year ending - 31 <sup>st</sup> March	
	First Quarter Results	By end July' 05
	Second Quarter and Half Yearly Results	By end October' 05
	Third Quarter Results	By end January' 06
	Results for year ending 31 <sup>st</sup> March' 06	By end June' 06
	Annual General Meeting for the Year ending 31 <sup>st</sup> March' 06	By end September' 06
Date of Book Closure	21 <sup>st</sup> September, 2005 to 28 <sup>th</sup> September, 2005 (both day inclusive)	
Listing of Stock Exchanges	The Stock Exchange, Mumbai	

The Company has paid the Annual Listing Fees to The Stock Exchange, Mumbai for the financial Year 2005-06.

**7. STOCK CODE**

The Stock Exchange, Mumbai : 521109

**8. PLANT LOCATION :** Village Yavtuj, Taluka Panhala, Dist. Kolhapur, Maharashtra.**9. MEANS FOR COMMUNICATION**

The quarterly results are published in the leading English daily Newspaper (Financial Express/Business Standard) and Bengali Newspapers (Kalantar/Aajkal).

Management discussion and analysis form part of the Annual Report.

**10. DEMATERIALISATION OF SHARES**

As on 31<sup>st</sup> March, 2005, 87.27% of the Share Capital comprising 84,74,031 shares were in dematerialized form.

**SHARE REGISTRAR AND TRANSFER AGENT****MAHESHWARI DATAMATICS (P) LTD**

6, Mangoe Lane, Kolkata - 700 001.

Telephone No. : +(033) 2243 5029/5809

Fax no. : (033) 2248 4787

Website : www.mdpl.online.com

Email : mdpl@cal.vsnl.net.in

Business Hours : 10.30 am to 3.00 pm (Monday-Friday)

10.30 am to 12.30 pm (Saturday)

**DISTRIBUTION OF SHARE HOLDING AS ON 31.03.2005**

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1) 1 to 500	15957	95.2770	2055914	21.1731
2) 501 to 1000	423	2.5256	357391	3.6806
3) 1001 to 2000	160	0.9553	252851	2.604
4) 2001 to 3000	61	0.3642	158869	1.6361
5) 3001 to 4000	25	0.1492	87507	0.9012
6) 4001 to 5000	17	0.1015	79541	0.8191
7) 5001 to 10000	46	0.2746	335641	3.4566
8) 10001 and above	59	0.3526	6382286	65.7293
TOTAL	16,748	100.0000	9,710,000	100.0000