

## BOARD OF DIRECTORS

Anil K. Bodani, Executive Chairman  
 Dharmil A. Bodani, Managing Director  
 Shyamal A. Bodani, Executive Director  
 D. S. Raghava, Executive Director  
 Girish M. Dave, Non-Executive Director  
 Harshvardhan Piramal, Non- Executive Director  
 Amitabh Himatsingka, Non- Executive Director  
 Ranjeet A. Puranik, Non- Executive Director

### Company Secretary

Vishnu R. Murkar

### Auditors

Lodha & Co.  
 Chartered Accountants

### Bankers

The Hongkong Shanghai Banking Corporation Limited

### Corporate Office

Jehangir Building,  
 133, Mahatma Gandhi Road,  
 Fort, Mumbai-400 001.

### Registered Office

Plot No. 3, GIDC Industrial Estate  
 Nandesari- 391 340  
 Dist. Vadodara, Gujarat.

### Registrar & Share Transfer Agent

Sharex Dynamic India Pvt. Ltd.,  
 Unit No. I, Luthra Industrial Premises,  
 Safed Pool, Andheri Kurla Road,  
 Andheri (East),  
 Mumbai-400 072.

## CONTENTS

	Page Nos.
Notice.....	1
Directors Report.....	4
Management Discussion and Analysis Report.....	7
Report on Corporate Governance.....	8
Auditors' Certificate on Corporate Governance.....	14
Auditors Report.....	15
Balance Sheet.....	18
Profit and Loss Account.....	19
Cash Flow Statement.....	20
Schedules Forming Part of Accounts.....	21
Notes Forming Part of Accounts.....	29

**NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the Thirty Eight Annual General Meeting of CAMPBOR AND ALLIED PRODUCTS LIMITED will be held on Thursday, the 16<sup>th</sup> September, 2010 at 11:30p.m. at Surya Palace Hotel, Opp. Parsi Agiyari, Sayajigunj, Vadodara - 390 005, Dist. Vadodara, Gujarat to transact the following business:

**ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31<sup>st</sup> March, 2010 and the Audited Balance Sheet as at date together with the reports of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To Appoint a Director in place of Shri Ranjeet Puranik, who retires by rotation but being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Amitabh Himatsingka, who retires by rotation but being eligible, offers himself for re-appointment.
5. To appoint Auditor to hold office from the conclusion of this until the conclusion of the next Annual General Meeting and to fix his remuneration.

**SPECIAL BUSINESS:-**

6. To consider, and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:  
**"RESOLVED THAT** in supersession of the resolution passed at the Annual General Meeting of the Company held on 9<sup>th</sup> September, 2006 and pursuant to the provision of Section 293(I) (d) and other applicable provisions of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of monies which together with the monies, already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), at any time may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserve not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 150000 lacs and the Board of Directors be and is hereby authorised to execute such deeds of debentures and other debenture trust deeds or mortgages, charges, hypothecation, lien, and other deeds, instruments or writings as the Board may think fit containing such conditions and covenants as the Board may think fit. "

**NOTES:-**

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. This instrument appointing proxy in order to be effective should be lodged at the Registered Office of the Company not less than forty- eight hours before the time of the meeting. A blank proxy form is sent herewith.
- b) All the documents referred to in this notice are open for inspection of the members at the registered office of the Company on all working days between 11.00 a.m. to 1.00 p.m., upto the date of the Annual General Meeting and during the time of the Meeting.
- c) The Members holding shares in physical form are requested to notify immediately change in their address, bank account details, ECS mandate if any, to the Company's Registrars and Share Transfer Agents, M/s Sharex Dynamic India Private Limited, Unit No. I, Luthura Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai-400072. Members holding shares in demate account (electronic form) may notify changes to the Depository Participants.
- d) The register of Members and Share Transfer Books of the Company shall remain closed from 6<sup>th</sup> September, 2010 to 16<sup>th</sup> September, 2010 (both days inclusive).
- e) The dividend when declared, will be made payable on or after 21<sup>st</sup> September, 2010 to the Shareholders (holding Shares in physical form) whose name stand on the on the Register of Members of the Company on 16<sup>th</sup> September, 2010 and to the beneficial owners (holding shares in demat/electronic form) as per data as the end of the day, the 6<sup>th</sup> September, 2010 given by the Depositories.
  - i) The unclaimed dividends for the financial year ended 31<sup>st</sup> March, 2002, which remained unclaimed for a period of 7 years from the date of declaration have been transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.
  - ii) Dividend for the financial year ended 31<sup>st</sup> March, 2003, which remains unclaimed, will be due for transfer to the Investor Education and Protection Fund of the Central Government on or before 23<sup>rd</sup> October, 2010 pursuant to the Provision of Section 205A & 205C of the Companies Act, 1956. Members who have not encashed their dividend warrant(s) for the financial year ended 31<sup>st</sup> March 2003, or any subsequent financial year(s), are requested to seek issue of duplicate warrant(s) from the Company.
  - iii) Shareholders are requested to note that no claim shall lie against Company or the said Investor Education and Protection Fund after the transfer of unclaimed dividend to the Fund.
- f) The Share of the Company are under Compulsory demate list of SEBI and therefore trading in equity shares can be done only in demat form. In case you have not demated your shares, you may do so by opening account with any Depository Participant and completing the dematerialization procedures.
- g) Under the system of payment of dividend through ECS, the shareholders get the credit of dividend directly in their designated bank account. This ensures direct and immediate credit with no chance of loss of warrant in transit or its

fraudulent encashment. Shareholders holding share in physical form and desirous of availing ECS facility are requested to furnish particulars of their bank account (including 9 digit MICR code) to the Company's Registrar & Share Transfer Agent M/s Sharex Dynamic India Private Limited and in respect of shares held in electronic (demat) form such particulars should be furnished to respective Depository Participants.

- h) Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- i) In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- j) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share Certificates to Sharex Dynamic (India) Private Limited, for consolidation into a single folio.
- k) Non- Resident Indian members are requested to inform Sharex Dynamic (India) Private Ltd, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- l) Details of Directors retiring by rotation and seeking re-appointment at the ensuing Annual General Meeting:

**Mr. Amitabh Himatsingka**, Age 44 has been a Director of the Company since August, 2008. He has obtained a B.Com degree from Calcutta University in 1988. He has over 22 years of experience in the marketing of high end luxury home textile products. He is responsible for customer relations and sale of fabrics in North and South American markets. He has been associated with Himatsingka America Inc, New York, a wholly owned subsidiary of Himatsingka Seide Limited, as a Director since incorporation in 2004. He is also a director of Satin Reed, Divatex Home Fashions Inc, DWI Holdings Inc, USA and Himatsingka Wovens Pvt. Ltd, Bangalore.

**Mr. Ranjit Anand Puranik**, Age 42 has been a Director of Company since August, 2008. He is from Bachelor of Arts- Economic, acting as a Chief Executive Officer in Shree Dhootapapeshwar Limited, an Enterprise that is over 135 in Ayurvedic Health Care. He served as Hon. General Secretary in the Ayurvedic Drug Manufacturers Association. He was member of National Medicinal Plants Board, Government of India – 2004 and again 2007. He was Chairman of Working Group for Committee established by Government of Maharashtra on issues relating to A.Y.U.S.H. sector and Forest and Wildlife Regulations - 2004-2008. He was Member of Steering Committee for Ayurved, Siddha, Unani and Homoeopathy set up by Planning Commission, Government of India for XIth Five Year Plan – 2006. He was Member of Ayurvedic Pharmacopoeia Committee, Dept. of A.Y.U.S.H., Ministry of Health & Family Welfare, Govt. of India – 2006-2009. He was of Member Ayurvedic Siddha Unani Drug Technical Advisory Board – 2007. He was act a Chairman of Herbal Ayurved Siddha & Unani Panel – PHARMEXCIL 2009. He was Member of Ayurvedic Committee – American Herbal Products Association (AHPA). He was Member of Board of Directors Health Foods & Dietary Supplements Association (HADSA) 2008. He was Trustee of All India Ayurvedic Congress- 2009.

By Order of the Board of Directors

**Vishnu R. Murkar**  
(Company Secretary)

**Place :** Mumbai  
**Date :** 2<sup>nd</sup> August, 2010.

**Registered Office:-**  
Plot No. 3, GIDC Industrial Estate,  
Nandesari- 391 340  
Dist. Vadodara, Gujarat.

## EXPLANATORY STATEMENT

As required under Section 173 (2) of the Companies Act, 1956, the following Explanatory Statement sets out the material facts relating to the item nos. 6 of accompanying notice dated 2<sup>nd</sup> August, 2010.

### Item No. 6:

As per the provisions of the Section 293 (I) (d) of the Companies Act, 1956, the Board of Directors of the Company cannot, except with the consent of members in a general meetings, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of Paid-up Capital and Free Reserve of the Company, that is to say, Reserve not set apart for any specific purpose. In the Annual General Meeting held on 9<sup>th</sup> September, 2006 the members had accorded their consent to the Board of Directors for borrowing upto Rs. 6000 lacs, when the aggregate of Paid-up Capital & Free Reserves stood at Rs. 5233.30 lacs. This could have restrictive effect on the borrowing power of the Board of Directors inspite of the fact that aggregate Paid- up Capital and Free Reserve of the Company as at 31<sup>st</sup> March, 2010 is Rs. 6441.48 lacs. To meet the capital expenditure requirements and for additional working capital needs and general corporate purpose, it may be necessary to enhance the present borrowing limit. Therefore, the Board of Directors proposes that borrowing power of the Board of Directors be revised to Rs. 150000 lacs. The debt equity ratio will be within a reasonable limit even if borrowing reaches the proposed limit.

The Board recommends the resolution at item no. 6 for your approval.

None of the Directors is in any way concerned or interested in this Resolution.

**DIRECTOR'S REPORT**

Your Directors have pleasure in submitting the 38<sup>th</sup> Annual Report together with the Audited Accounts of your Company for the year ended 31<sup>st</sup> March, 2010.

**FINANCIAL RESULTS:**

Particulars	Rs. Lacs	
	Year Ended 31.03.2010	Year Ended 31.03.2009
Profit before Interest, Depreciation and Tax	1909.76	1095.93
Deduction	–	–
Interest	62.74	69.36
Depreciation	246.69	243.79
Provision for Tax, FBT & Deferred Tax	571.44	330.13
Income Tax for earlier year	4.65	82.88
Net Profit after Tax	1024.24	369.77
Add: Balance brought forward from last year	476.03	231.36
Profit available for appropriation	1500.27	601.13
<b>Your Directors recommend following Appropriation:-</b>		
General Reserve	35.00	35.00
Proposed Dividends	77.01	77.01
Corporate Tax on Proposed Dividend	12.79	13.09
Balance carried to Balance Sheet	1375.47	476.03

**REVIEW OF OPERATIONS:-**

The Company's business volume & profitability continue to improve during the year, the Company has achieved turnover of Rs. 16546.21 Lacs and profit after tax of Rs.1024.24 Lacs under review as compared to turnover of Rs.13463.88 Lacs and profit after tax of Rs.369.77 Lacs during the previous year.

The Company has performed well during the year by efficiently managing the resources, which result into improved performance and better sales realization, despite steep rise in price of main imported raw materials and other inputs like power, natural gas, coal etc.

**DIVIDEND:**

Our Directors recommend a dividend at the rate of Rs. 1.5 per Equity Share of Rs. 10/- each. In the previous year the dividend at the rate of Rs. 1.5 per Equity Share of Rs. 10/- each was recommended.

**FIXED DEPOSIT:**

The Company not accepting and renewing Fixed Deposit, hence as on 31.03.2010, the Company has 576 Fixed Deposits amounting to Rs. 144.2 lacs as compared to last year 1045 fixed Deposit to Rs. 289.90 Lacs. 16 Fixed Deposits amounting to Rs. 3.34 lacs have remained unclaimed as at 31.03.2010.

**INSURANCE:**

The Company's buildings, plant & machinery and inventories have been adequately insured. Loss of profit with respect to both factories has also been adequately insured.

**DIRECTORS:**

In accordance with the Companies Act, 1956 and Articles of Association of the Company, Shri Amitabh A. Himatsingka and Shri Ranjit A. Puranik are liable to retire at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

During the year, Shri Devendra Singh Raghava has been appointed as an Executive Director- Operations w.e.f. 30<sup>th</sup> April, 2009.

**AUDITORS:**

M/s Lodha & Co. Chartered Accountants, Mumbai the Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting. The Company has received a letter from M/s Lodha & Company, Chartered Accountants, Mumbai pursuant to the provisions of Section 224(IB) of the Companies Act, 1956, regarding their eligibility for re-appointment.

**AUDITORS REPORT:**

Your directors are taking corrective measures for comments made by auditors.

**COST AUDITORS:-**

M/s. P. D. Phadke & Associates, Cost Accountants, have been appointed to conduct cost audit for the year ended 31<sup>st</sup> March 2010. They will submit their report to the Ministry of Corporate Affairs, Government of India.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:-**

The particulars as prescribed under section 217 (I) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board Of Directors) Rules, 1988 are given as Annexure "A".

**ENVIRONMENTAL COMPLIANCE AND SAFETY:-**

Your Company gives great importance to pollution control and environment protection and efforts are made at each stage of manufacture to maximize recovery, conserve water and to minimize effluents and emissions. As required by the local authorities the Company submits necessary analytical reports. Environment Audit is conducted on regular basis and reports are submitted to the concerned authorities.

**LISTING OF SECURITIES:-**

Your Company's Equity Shares are listed at Bombay Stock Exchange Limited. The Shares are under compulsory dematerialization list of the Securities & Exchange Board of India. As at 31<sup>st</sup> March 2010, 43, 97,712 shares representing 85.66% of Companies Equity Share Capital have been dematerialized. The Company has paid Annual Listing fees for the year 2010-2011 to the Bombay Stock Exchange Limited.

**INDUSTRIAL RELATIONS:-**

The relations with the employees of the Company remained cordial during the year under review.

**PARTICULARS OF EMPLOYEES:-**

There are no employees falling within the purview of sub-section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**DIRECTOR'S RESPONSIBILITY STATEMENT:-**

The Board of Directors of the Company Confirms:

1. that the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departure;
2. that the selected accounting policies were applied consistently and the Directors 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 31<sup>st</sup> March, 2010 and of the profit of the Company for the year ended on that date;
3. that 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; and
4. that the annual accounts have been prepared on a going concern basis.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:-**

As required under clause 49 of the listing agreement entered with the Stock Exchange, a report is given as Annexure "B" forming part of this Director's Report.

**CORPORATE GOVERNANCE:-**

A report on Corporate Governance and Certificate from the Auditors thereon forms part of Annual Report.

**GENERAL:-**

Your Directors place on record their sincere thanks to Bankers and Shareholders for their continuous support and Co-operation. The Directors also place on record their appreciation for the good work done by the employees of the Company.

ON BEHALF OF THE BOARD

Place: Mumbai  
Date : 21<sup>ST</sup> May, 2010

**ANIL K. BODANI**  
(Executive Chairman)

**ANNEXURE "A" TO THE DIRECTORS REPORT**
**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**
**I. Conservation of Energy:**

- Efficient control and streamlining of the manufacturing process and proper maintenance of all equipments have been important tools of conservation of Energy.
- Various process changes and replacement of certain conventional equipments has also contributed to conservation of energy.
- The total energy consumption and consumption per unit of production are as under:

Particulars			2009-2010		2008-09	
<b>Electricity</b>						
i)	Units purchased	Units	<b>100.44</b>	Lacs	104.60	Lacs
	Total Value	Rs.	<b>547.59</b>	Lacs	558.86	Lacs
	Rate per unit	Rs.	<b>5.45</b>		5.34	
ii)	Units generated (through Diesel)	Units	<b>8.92</b>	Lacs	3.21	Lacs
	Units per liter of Diesel Oil	Units	<b>3.536</b>		3.42	
	Rate per Unit	Rs.	<b>12.876</b>		17.52	
iii)	Units generated through Natural gas & Diesel	Nos	<b>0.22</b>	Lacs	0.69	Lacs
	Rate per unit	Rs.	<b>16.00</b>		13.17	
<b>Furnace Oil</b>						
	Quantity	M. T.	<b>365.33</b>		983.54	
	Total amount	Rs.	<b>81.32</b>	Lacs	260.42	Lacs
	Average rate per unit	Rs.	<b>22.26</b>		26.48	
<b>High Speed Diesel</b>						
	Quantity	M. T.	<b>9.8</b>		21.66	
	Total amount	Rs.	<b>3.51</b>	Lacs	8.54	Lacs
	Average rate per unit	Rs.	<b>35.8</b>		39.43	
<b>Natural Gas</b>						
	Quantity	Scm	<b>N.A.</b>		1327.29	
	Total amount	Rs.	<b>N.A.</b>		335.22	Lacs
	Average rate per unit	Rs.	<b>N.A.</b>		25.26	
<b>Wood</b>						
	Quantity	M. T.	<b>17303.85</b>		14442.99	
	Total amount	Rs.	<b>405.96</b>	Lacs	283.94	Lacs
	Average rate per unit	Rs.	<b>2.35</b>		1.97	
<b>Consumption per unit of Production</b>						
	Electricity	Units	<b>4.447</b>		1.57	
	Furnace Oil	Kgs.	<b>0.067</b>		0.19	
	Natural Gas	Scm	<b>0.73</b>		0.74	
	Wood	Kgs.	<b>3.187</b>		2.83	

**II Particulars Regarding Research and Development & Technology Absorption:**

The total expenditure for R & D during the year under review is Rs. 49.28 lacs (Previous year 41.42 lacs) of which Rs. Nil (previous year Rs.0.99 lacs) is towards capital expenditure.

**III Foreign Exchange Earnings and Outgo:**

The Company continues to export its various products to Europe, USA and other countries. The quality of the products of the Company is well accepted in these markets.

The information of foreign exchange earnings and outgo is included in 'B' notes to accounts (f) & P, (B), P (D) of Annual Accounts

**ANNEXURE "B" TO THE DIRECTORS REPORT****MANAGEMENT DISCUSSION AND ANALYSIS:****OVERVIEW:**

The Company has plants at Bareilly, UP and at Nandesari, Vadodara in Gujarat and is engaged in the manufacturing and selling of camphor, terpineols, resins, aromatic & other terpene chemicals, fragrance chemicals and fragrance chemical intermediaries.

**ECONOMY AND BUSINESS OUTLOOK:**

The overall economy of our country has been improving. However, high cost of mainly imported raw material and energy has been a cause of concern. Due to extremely competitive market it is difficult to pass on the increasing costs to full extent. However, efforts are made to increase productivity, reduce costs by controlling wastages with most efficient use of plant & machinery. The Company has focused on mainly to reduce the cost of production by using wooden cheap for boiling & heating instead of highly expensive sources.

The Company is striving hard to reduce/ control costs at all stages to improve the profitability.

**RISKS AND CONCERNS:**

At the initial stage of year prevailing world-wide recession and Increased in cost of energy like electricity, furnace oil & wood chips are main causes of concern. Stiff global competition and deterioration in the value of dollar could affect the profitability of the Company in the nature of less realization.

**INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:**

The Company has put in place necessary internal control system commensurate with its operations for facilitating accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of the Company and also ensuring compliance with various laws and rules & regulations thereunder. Internal Auditors conduct the audit on a regular basis and remedial measures are taken wherever necessary. The Audit Committee of the Board of Directors periodically reviews audit plans, observations and recommendations of the internal auditors as well as of external auditors with reference to significant risk areas, adequacy of internal controls.

**HUMAN RESOURCES/INDUSTRIAL RELATIONS:**

The industrial relations in both manufacturing units of the Company continued to be cordial.

The Company has arranged seminars and workshops for its work force for their developments and to equip them to adapt to the fast changing environment. In-house training programmes are also conducted to enable the workforce to acquire necessary skills and update their knowledge. Your Company continuously benchmark HR policies and practices with the best in the industry and carries out necessary improvements to attract and retain talent and build intellectual capital.

The total numbers of employees in the Company as on 31st March 2010 are 360.

**POLLUTION AND ENVIRONMENT CONTROL:**

Highest importance is always given by the Company to ensure that the environment remains relatively pollution free.

Adequate pollution control facilities are installed at both the plants as per guidelines of pollution control authority and are run as per set norms.

For safety, the work force is provided with appropriate safety equipments and necessary training from time to time.

**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations, include among others, economic conditions affecting demand/supply and price conditions in the domestic market, changes in Government regulations, tax laws and other statutes and incidental factors.

## CORPORATE GOVERNANCE:

In compliance with the Corporate Governance requirements as stipulated in clause 49 of the Listing Agreement with the Stock Exchange. The Company has been incorporating, a separate section on Corporate Governance in the Annual Report to provide useful informations to the Investors as well as the Shareholders.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's Philosophy on Corporate Governance encourages attainment of transparency, accountability and propriety in the functioning of the Company.

### 2. BOARD OF DIRECTORS:

Composition and Meeting of the Board:

The Board of Directors comprises of Executive Chairman, Managing Director, Executive Director, Executive Director- operations and four Non- Executive Directors. All Non-Executive Directors are Independent Directors. During the financial year under review four Board of Directors meeting were held on 30<sup>th</sup> April, 2009, 31<sup>st</sup> July, 2009, 30<sup>th</sup> October, 2009 and 27<sup>th</sup> January, 2010.

#### Attendance of Directors for the year ended 31.03.2010:

Attendance of each Director at the Board Meetings and last Annual General Meeting:

Name of Director	Category of Directorship	No. of Board Meetings Attended out of 4 held	Attendance at last AGM
Shri Anil K. Bodani	Promoter, Executive	4	Yes
Shri Dharmil A. Bodani	Promoter, Managing Director	4	Yes
Shri Shyamal A. Bodani	Promoter, Executive Director	4	Yes
Shri Devendra Singh Raghava	Executive Director- Operation	3	yes
Shri Girish M. Dave	Independent, Non- Executive	4	No
Shri Harshvardhan Piramal	Independent, Non- Executive	4	No
Shri Ranjit A. Puranik	Independent, Non-Executive	1	No
Shri Amitabh A. Himatsingka	Independent, Non-Executive	1	No

### Directorship details as on 31.03.2010

Number of directorships and memberships/chairmanships in public limited companies (including the Company) are given below:

Name of the Director	Status as on 31 <sup>st</sup> March, 2010		
	Number of Directorships	Number of Committees in which # Member	Chairman
Shri Anil K. Bodani	2	—	1
Shri Dharmil A. Bodani	2	—	—
Shri Shyamal A. Bodani	2	1	—
Shri Girish M. Dave	8	8	3
Shri Harshvardhan A. Piramal	8	—	3
Shri Amitabh A. Himatsingka	1	—	—
Shri Ranjit A. Puranik	2	—	—
Shri Devendra Singh Raghava	1	—	—

# includes audit committee and Investor grievance committee.

None of the director on the board is a member of more than ten committees or chairman of more than five committees across all companies in which they are directors.

**Disclosures regarding Directors Appointment/ Re-appointment:**

Disclosures regarding director's appointment/ re-appointment are attached with the notice calling the Annual General Meeting of the company.

**Shareholding of Directors:**

None of the directors hold any shares in the company.

**Code of Conduct:**

The Company has framed a code of conduct for the non-executive directors, executive directors and senior management personnel of the company. The declaration regarding compliance of the said code of conduct by the non-executive directors, executive directors and senior management personnel is given as Annexure I to this report.

**3. AUDIT COMMITTEE:****Terms of Reference:**

The terms of reference of the committee covers all items stated in clause 49 of listing agreement which are summarized as under:

- (a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- (c) Reviewing with management the annual financial statements before submission to the board, focusing primarily on:
  - (i) Any changes in accounting policies and practices
  - (ii) Major accounting entries based on exercise of judgment by management
  - (iii) Qualifications in draft internal audit report.
  - (iv) Significant adjustments arising out of audit
  - (v) The going concern assumption.
  - (vi) Compliance with stock exchange and legal requirements concerning financial statements.
  - (vii) Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- (d) Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- (e) Reviewing the adequacy of internal audit function, 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.
- (f) Discussion with internal auditors on significant findings and follow up thereon.
- (g) 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.
- (h) Discussion with external auditors before the audit commence, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- (i) Reviewing the Company's financial and risk management policies.
- (j) 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.

**Composition and Meetings of Audit Committee:-**

During the year, under review the Committee met four times on 30<sup>th</sup> April, 2009, 31<sup>st</sup> July, 2009, 30<sup>th</sup> October, 2009 and 27<sup>th</sup> January, 2010. The Audit Committee comprises of following Directors:

**Attendance of Directors for the year ended 31.03.2010:**

Attendance of each Member at the Audit Committee Meetings:

Name of Director	No. of Audit Committee Meetings Attended
Shri Girish M. Dave	4
Shri Amitabh A. Himatsingka	1
Shri Harshvardhan A. Piramal	4

a) Shri Harshvardhan Piramal was the Chairman of the Audit Committee for all the Meetings. All the members of the Audit Committee are independent Directors.

b) The Company Secretary acts as a Secretary to the Committee.

**4. REMUNERATION COMMITTEE:-**
**Terms of Reference**

To acts as Remuneration Committee as required under the Schedule XIII to the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

**Composition**

During the year, the remuneration committee met once during the financial year on 30<sup>th</sup> April, 2009; three directors were present in the meeting.

During the year under review, the remuneration committee comprises of three independent Non- Executive Directors viz. Shri Girish M. Dave, Shri Harshvardhan Piramal and Shri Amitabh Himatsingka.

**Compensation to non-executive Directors:**

Details of sitting fees paid for meetings attended during the financial year 2009-2010 are given below:

Name	Sitting Fees (Rs. in lacs)
Shri Girish M. Dave	1.025
Shri Harshvardhan A. Piramal	1.025
Shri Amitabh A. Himatsingka	0.250
Shri Ranjit A. Puranik	0.125
<b>TOTAL</b>	<b>2.425</b>

Remuneration to Executive Chairman, Managing Director, Executive Director and Executive Director Operations for the year ended 31<sup>st</sup> March, 2010.

(Rs. in Lacs)

Name of the Director	Salary	Perqui-sites	PF and other Contributions	Service Contract	Notice Period	Severance fees
Shri Anil K. Bodani	12.00	—	—	5 years	6 months	NIL
Shri Dharmil A. Bodani	12.00	—	—	5 years	6 months	NIL
Shri Shyamal A. Bodani	12.00	—	—	5 years	6 months	NIL
Shri Devendra Singh Raghava	5.5	7.59	0.66	5 years	6 months	NIL

\* Shri Devendra Singh Raghava appointed Executive-Director Operation w.e.f. 30<sup>th</sup> April, 2009.

**5. INVESTORS GRIEVANCE COMMITTEE:**

The Investor Grievance Committee comprises of Three Non- Executive Directors viz. Harshvardhan A. Piramal, Shri Girish M. Dave and Shri Ranjit Puranik. Shri Harshvardhan A. Piramal is the Chairman of the Committee. The Investors Grievance Committee met 4 times during the financial year on 30<sup>th</sup> April, 2009, 31<sup>st</sup> July, 2009, 30<sup>th</sup> October, 2009 and 27<sup>th</sup> January, 2010. The Company's Registrars & Share Transfer Agent Sharex Dynamic (India) Private Limited had received 32 letters/complaints during the financial year, out of which all are replied/resolved to the satisfaction of the Shareholders.

Mr. Dilip Sharma- Manager Accounts & Company Secretary was Compliance officer from 30<sup>th</sup> July, 2008 till 15<sup>th</sup> August, 2009 and thereafter Mr. Vishnu Murkar- Company Secretary has been Compliance officer from 15<sup>th</sup> September, 2009.