

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 (upto 12th July, 2011)

Ranjeet A. Puranik, Non-Executive Director

Company Secretary

Vishnu R. Murkar

G. M. Accounts & Finance

Girish Khandelwal

Auditors

Lodha & Co.

Chartered Accountants

Bankers

The Hongkong Shanghai Banking Corporation Limited

Standard Chartered Bank

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.

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39th Annual General Meeting of Camphor & Allied Products Limited will be held on 15th September, 2011 at 12.30 p.m. at The Gate Way Hotel, Akota Gardens, Akota, Vadodara - 390 020, Dist. Vadodara, Gujarat.

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Thirty Nine Annual General Meeting of **CAMPBOR AND ALLIED PRODUCTS LIMITED** will be held on Thursday the 15th September, 2011 at 12:30 p.m. at The Gateway Hotel, Akota Gardens, Akota, Vadodara - 390020, Gujarat to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2011 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 Girish M. Dave, who retires by rotation but being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Harshvardhan A. Piramal, who retires by rotation but being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s. Lodha & Co., Chartered Accountants, (Registration No.301051E) be and are hereby appointed as Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:-

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

"RESOLVED THAT Shri Prakash Mehta, who was appointed as an additional Director of the Company on 5th August, 2011 by the Board of Directors and who holds office up to the date of this Annual General Meeting under section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing pursuant to the provisions of section 257 of the Companies Act, 1956, from a member of the Company proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company."

7. To consider and if thought fit to pass with or without modification following resolution as **Special resolution**

"RESOLVED THAT Consent of the Company be and is hereby accorded in terms of section 293 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to the mortgaging and/or charging creating charge on the same as security for due re-payment of Loan /financial assistance availed by the company and the Board of Directors of the Company is hereby authorised to mortgage of all the immovable and movable properties of the Company, present and future, situated at the Company's manufacturing plant at plot No. 3, GIDC Industrial Estate, Nandesari-391340, Dist. Vadodara, Gujarat *pari passu* in favour of THE HONGK KONG AND SHANGHAI BANKING CORPORATION LIMITED and Standard Chartered Bank as security for the term loan of USD 5 Million and USD 10 Million granted by THE HONGK KONG AND SHANGHAI BANKING CORPORATION LIMITED and Standard Chartered Bank respectively together with interest, costs, charges, expenses and other monies and that the Board of Directors of the Company be and they are hereby authorised to finalise the documents for creating the aforesaid mortgage and/ or charge and to do all such acts, deeds and things as may be necessary to give effect to the resolution."

8. To consider and if thought fit to pass with or without modification following resolution as **Special resolution**

"RESOLVED THAT pursuant to Section 309 of the Companies Act, 1956 and in partial modification to the Resolution passed by the Company in its General Meeting held on 30th September, 2008 approving the terms of the remuneration of Mr. Dharmil A. Bodani, the consent of the Company be and is hereby accorded to the revised terms of appointment of Mr. Dharmil A. Bodani, Managing Director of the Company, with effect from 1st day of April, 2011 to the extent and as set out hereinbelow:

A. Salary:

Salary be increased by Rs.1,00,000/- (Rupees one lakh) per month, that is to say, the salary to be increased from Rs.2,00,000/- (Rupees two lakhs) per month to Rs.3,00,000/- (Rupees three lakhs) per month with effect from 1st April, 2011.

B. Incentive Remuneration: Same as in the Original Agreement.**C. Commission:** Same as in the Original Agreement.**D. Perquisites:**

Housing: Rent free accommodation to be provided by the Company on the condition that the premises in which the residential accommodation will be provided to Mr. Dharmil A. Bodani, including furniture, will be used at least as to the extent of fifty per cent for the business of the Company, including as guest house and for holding meetings of the Board of Directors, Committee of the Directors and such other purpose as may be required by the Company from time to time.

All the other terms of appointment shall remain the same as are set out in the Agreement dated the 30th day of September, 2008, subject, however, to the modifications to be therein made as mentioned hereinabove."

9. To consider and if thought fit to pass with or without modification following resolution as Special resolution

"**RESOLVED THAT** pursuant to Section 309 of the Companies Act, 1956 and in partial modification to the Resolution passed by the Company in its General Meeting held on 25th September, 2009 approving the terms of the remuneration of Mr. Devendra Singh Raghava, the consent of the Company be and is hereby accorded to the revised terms of appointment of Mr. Devendra Singh Raghava, Executive Director-Operation of the Company, with effect from 1st day of April, 2011 to the extent and as set out hereinbelow:

A. Salary:

Salary be increased by Rs. 50,000/- (Rupees Fifty Thousand) per month, that is to say, the salary to be increased from Rs.1,25,000/- (Rupees One Lakh Twenty Five Thousand) per month to Rs.1,75,000/- (Rupees One Lakh Seventy Five Thousand) per month with effect from 1st April, 2011.

All the other terms of appointment shall remain the same as are set out in the Agreement dated the 25th day of September, 2009, subject, however, to the modifications to be therein made as mentioned hereinabove."

By Order of the Board of Directors
Vishnu R. Murkar
Company Secretary

Place: - *Mumbai*

Date : - *5th August, 2011.*

Registered Office:-

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

Dist. Vadodara, Gujarat.

grievance@camphor-allied.com

NOTES:-

- 1) 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.

The 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.

- 2) 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., up to the date of the Annual General Meeting and during the time of the Meeting.

- 3) The Members holding shares in physical form are requested to notify immediately change in their address, bank account details, NECS mandate if any, to the Company's Registrars and Share Transfer Agents, M/s Sharex Dynamic (India) Private Limited, Unit No. 1, Luthura Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai-400072. Members holding shares in demat account (electronic form) may notify changes to the Depository Participants.
- 4) The register of Members and Share Transfer Books of the Company shall remain closed from 5th September, 2011 to 15th September, 2011 (both days inclusive).
- 5) The dividend when declared, will be made payable on or after 21st September, 2011 to the Shareholders (holding Shares in physical form) whose name stand on the on the Register of Members of the Company on 15th September, 2011 and to the beneficial owners (holding shares in demat/electronic form) as per data as the end of the day, the 5th September, 2011 given by the Depositories.
 - i) The unclaimed dividends for the financial year ended 31st March, 2003, 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 31st March, 2004, which remains unclaimed, will be due for transfer to the Investor Education and Protection Fund of the Central Government on or before 5th October, 2011 month pursuant to the Provision of Section 205A & 205C of the Companies Act, 1956. Members who have not en cashed their dividend warrant(s) for the financial year ended 31st March 2004, 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.
- 6) The Share of the Company are under Compulsory demat 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.
- 7) Under the system of payment of dividend through NECS, 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 NECS 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.
- 8) Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- 9) 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.
- 10) 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.
- 11) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents, Sharex Dynamic (India) Private Limited.
- 12) Non- Resident Indian members are requested to inform Sharex Dynamic (India) Private Ltd, immediately of:
 - i) Change in their residential status on return to India for permanent settlement.
 - ii) 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

13) Details of Directors retiring by rotation and seeking re-appointment at the ensuing Annual General Meeting:

- i) **Mr. Girish M. Dave**, Date of Birth 12th July, 1938, Age 73 years, has rich experience in Project Finance, Structured Finance, Due Diligence, Merger, Acquisition & Amalgamation and Managing Equity funding & Public offers. He is director of Company since 22nd August, 2008.

He is also director in PCS Technology Limited, Vinati Organics Limited, Ultratech Cement Limited, Cinemax India Limited, Grasim Bhiwani Textiles Limited, HAS Two Holding Private Ltd, Terrafirma Agroprocessing (India) Private Limited, Fabmall (India) Private Limited, Trinethra Super Retail Private Limited & Birla Family Investments Private Limited.

- ii) **Mr. Harshvardhan A. Piramal**, 37 years of age and holds a Bachelor of Science (Physics) degree from Kings College, London. Mr. Piramal has completed his MBA, specializing in finance and strategy, from the London Business School, United Kingdom in 1999. He is director of the Company since 22nd August, 2008.

He is also director in Arrow Textiles Limited, Ashok Piramal Management Corporation Limited, Morarjee Textiles Limited, Just Textiles Limited, Peninsula Facility Management Services Limited, Peninsula Mega Properties Private Limited and Pune Football Club Limited.

By Order of the Board of Directors
Vishnu R. Murkar
(Company Secretary)

Place: *Mumbai*

Date: *5th August, 2011.*

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 Statements sets out the material facts relating to the item nos. 6,7,8 & 9 of accompanying notice dated 5th August, 2011.

ITEM NO. 6

Shri Prakash V. Mehta was appointed as an additional Director of the Company on 5th August, 2011 by the Board of Directors of the Company. According to the provisions of the Section 260 of the Companies Act, 1956, he holds office only up to the date of ensuing Annual General Meeting. As required under Section 257 of the Act, a notice has been received from a member along with requisites deposit, signifying his intention to propose the appointment of Shri Prakash V. Mehta as Director.

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

None of the Directors of the Company except Shri Prakash V. Mehta are concerned or interested in the above resolution.

ITEM NO. 7

The Company proposes a resolution authorizing Borrowing Committee and/or Board to borrow term loans up to maximum of Rs. 100 Crores. In order to borrow loans from Banks, Financial Institutions, etc. the Borrowing Committee and/or Board needs authorization to mortgage/ hypothecate all the immovable and movable properties of the Company, present and future, situated at the Company's manufacturing plant at plot No. 3, GIDC Industrial Estate, Nandesari-391340, Dist. Vadodara, of Company as security/ collateral security. In order to mortgage or hypothecate above mentioned assets of the Company the consent of the Shareholders in General Body meeting is required under section 293 (1) (a) of the Companies Act, 1956 authorizing the Board of Directors and/or Borrowing Committee with necessary powers.

The Board recommends the resolution at item No 7 for your approval.

None of the Directors of the Company are interested or concerned in any way in the resolution.

ITEM NO. 8

In terms of the Resolution passed at a meeting of the Board of Directors held on 22nd August, 2008 and as approved by the Company in its General Meeting held on 30th September, 2008 the terms of remuneration of Mr. Dharmil A. Bodani, including the perquisites, to Mr. Dharmil A. Bodani upto 31st March, 2011 are as under:

A. **salary:-** Rs. 2,00,000/- P.M.

Other terms of remuneration of the Managing Director are as under

- B. **Incentive remuneration :-** Such incentive remuneration not exceeding 100% of the annual salary to be paid at the discretion of the Board annually, based on certain performance criteria.
- C. **Commission:-** Such remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in particular financial year, as may be determined by the Board of Directors of the Company at the end of each financial year, subject to the overall ceiling stipulated in section 198 and 309 of the Companies Act, 1956. The specific amount payable to the Managing Director will be based on certain performance criteria, to be laid down by the Board and will be payable annually after the Annual Accounts have been approved by the Board of Directors and adopted by the Members.
- D. **Minimum Remuneration:-** If in any financial year, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites will be subject to the ceilings and the conditions set out in Section II of part II of Schedule XIII of the Companies Act, 1956.
- E. **Perquisites:-** perquisites will be allowed to the Managing Director, in addition to salary and commission. For this purpose, the perquisites are classified into three categories, PART A, B, and C.

PART A

- i. **Housing:-** Company owned accommodation or house rent allowance as may be decided by the Board. In case of Company owned accommodation is provided, maintenance and repairs allowance of Rs. 1,50,000/- shall also be paid to the Managing Director. The expenditure incurred by the Company on gas, electricity, water and furnishing, if provided, shall be valued as per the Income –Tax Rules, 1962.
- ii. **Medical Reimbursement:-** Reimbursement of expenses incurred, by the Managing Director for self and family subject to a ceiling of one month salary in a year or three months salary over a period of three years.
- iii. **Leave Travel Concession:-** Leave Travel Concession for Managing Director and his family once in a year incurred in accordance with the rules of the Company.
- iv. **Club Fees:-** Fees of one club. This will not include admission and life membership fees.
- v. **Personal Accident Insurance:-** Personal Accident Insurance as per Company's policy applicable to senior Executive of the Company.

PART B

- i. **Provident Fund & Superannuation Fund:-** Company's Contribution to these funds in accordance with the Rules and Regulations in force in the Company from time to time. Contribution to these funds will not be included in computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
- ii. **Gratuity:-** Benefits in accordance with the Rules and Regulations in force in the Company from time to time, but shall not exceed half a month's salary for each completed year of service.

PART C

- i. **Car:-** Provision of car for use on Company's business. Personal use of car shall be billed by the Company to the Managing Director.

- ii. **Telephone:-** Provision of Telephone and cable internet at residence and mobile phone will not be considered as a perquisite. Personal long distance calls on telephone, mobile phone shall be billed by the Company to the Managing Director.

However, your Directors feel that the rent free accommodation, provided to Mr. Dharmil A. Bodani, in 152, 15th Floor, N.C.P.A. Complex, Nariman Point, Mumbai can also be gainfully utilized by the Company for providing guest house accommodation to the Chief Executive and other Senior Executives coming to Mumbai for the Company's purpose from their respective plants. Since the place in which the Company's corporate office is situated does not have adequate facilities required for holding meetings of the Board of Directors and others, the said place wherein the residential accommodation is provided to Mr. Dharmil A. Bodani may also be used as a guest house and for holding meetings of the Company.

In order to, however, correctly reflect the terms of remuneration to Mr. Dharmil A. Bodani; it is proposed to modify the terms of remuneration as proposed in the Resolution. The Company will enter into an amendment agreement with Mr. Dharmil A. Bodani if the Resolution proposed at item 8 is passed by the Company in this General Meeting. The draft of the amendment agreement incorporating the modified terms of appointment will be circulated by the Company to the Shareholders of the Company once modifications are approved by the Company in the General Meeting.

Except Mr. Anil Bodani, Mr. Dharmil A. Bodani and Mr. Shyamal Bodani, none of the other Directors are directly or indirectly interested in the Resolution.

Since the Resolution is proposed as part of the Special Business, the Explanatory Note, 8 is given hereinabove.

Since this amounts to change in the terms and conditions of the appointment of the Managing Director, Section 309 of the Companies Act, 1956 is applicable and accordingly, this Resolution is proposed in terms of the said Section.

ITEM NO. 9

In terms of the Resolution passed at a meeting of the Board of Directors held on 31st July, 2009 and as approved by the Company in its General Meeting held on 25th September, 2009 the terms of remuneration of Mr. Devendra Singh Raghava, including the perquisites, provided to Mr. Devendra Singh Raghava upto 31st March, 2011 are as under:

- a) **Salary:** Gross salary of Rs. 1,25,000/- per month.
- b) **Perquisites:** Perquisites classified in the PART A & B are included in the gross salary (as above) and perquisites classified in PART C are in addition to salary of the Executive Director-Operations, which are as under:-

PART A

- i. **Medical Reimbursement:** Reimbursement of expenses incurred by the Executive Director-Operations for self and family subject to a ceiling of one month's basic salary in a year or five months' basic salary over a period of five years, which is included in the gross salary.
- ii. **Leave Travel Concession:** Reimbursement of expenses incurred by the Executive Director-Operations for self and family subject to a ceiling of one month's basic salary in a year or five months' basic salary over a period of five years, which is included in the gross salary.

PART B

- i. **Provident Fund and Superannuation Fund:** Company's contribution to Provident Fund and Superannuation Fund in accordance with the rules and regulations in force in the Company from time to time.

Contribution to these funds will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

- ii. **Gratuity:** Benefits in accordance with the rules and regulations in force in the Company from time to time, but shall not exceed half a month's salary for each completed year of service.

PART C

- i. **Car:** Provision of car for use on Company's business. Personal use of car shall be billed by the Company individually to the Executive Director-Operations.
- ii. **Telephone:** Provision of Telephone, at residence and mobile phone will not be considered as a perquisite. Personal long distance calls on telephone, mobile phone shall be billed by the Company individually to the Executive Director-Operations.

OTHER BENEFITS:

- a) Leave as per rules in force in the Company from time to time.
- b) Benefits under loan and other Schemes, in accordance with the practices, rules and regulations in force from time to time.
- c) Such other benefits as may be provided by the Company to other senior officers from time to time.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the Executive Director-Operations, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above.

Since the Company is taking initiative for expanding its production capacity at Vadodara plants, major responsibilities need to be performed by the Executive Director-operation. Hence, there is necessary to revise remuneration terms. The Company will enter into an amendment agreement with Mr. Devendra Singh Raghava if the Resolution proposed at item 9 is passed by the Company in this General Meeting. The draft of the amendment agreement incorporating the modified terms of appointment will be circulated by the Company to the Shareholders of the Company once modifications are approved by the Company in the General Meeting.

Since the Resolution is proposed as part of the Special Business, the Explanatory Note, 10 is given hereinabove.

Since this amounts to change in the terms and conditions of the appointment of the Managing Director, Section 309 of the Companies Act, 1956 is applicable and accordingly, this Resolution is proposed in terms of the said Section.

GREEN INITIATIVE

The Ministry of Corporate Affairs (MCA), Government of India, has taken a "Green initiative in the Corporate Governance" by allowing paper less compliances by the companies after considering there levant sections of the Information Technology Act, 2000, for legal validity of compliances under Companies Act, 1956 through electronic mode. The MCA has vide its Circular Nos.17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011, provided that a company would have complied with Section 53 of the Companies Act, 1956, if the service of documents has been made through electronic mode, provided the company has obtained the email addresses of its members for sending the notice / documents through email by giving an advance opportunity to every member to register his/her email address and changes therein from time to time with the company. In cases where any member has not registered his/her e-mail address with the company, the service of documents etc. will be effected by other modes of service as provided in Section 53 of the Companies Act, 1956.

In light of the above, those members, who desire to receive notice / documents including Annual Reports through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to the Depository Participant / Company's Registrar & Share Transfer Agents, M/s. Sharex Dynamic (India) Private Limited for receipt of notice/ documents including Annual Reports through e-mail.

DIRECTOR'S REPORT

Your Directors have pleasure in submitting the 39th Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2011.

Financial Results:

Rs. in lacs

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
Profit before Interest, Depreciation and Tax	1375.37	1909.76
Deduction		
Interest	74.29	62.74
Depreciation	264.06	246.69
Provision for Tax, FBT & Deferred Tax	267.32	571.44
Income Tax for earlier year	4.57	4.65
Net Profit after Tax	765.13	1024.24
Add: Balance brought forward from last year	1375.47	476.03
Profit available for appropriation	2140.60	1500.27
Your Directors recommend following Appropriation:		
General Reserve	100.00	35.00
Proposed Dividends	77.01	77.01
Corporate Tax on Proposed Dividend	12.49	12.79
Balance carried to Balance Sheet	1951.10	1375.47

REVIEW OF OPERATIONS:-

The Company's business volume continue to improve during the year, the Company has achieved turnover of Rs. 21663.63 Lacs which is increased by 30.92% of last year and profit after tax is Rs.765.13 Lacs which is about 25% low as compared to last year, under review the turnover was Rs.16546.21 Lacs and profit after tax was Rs.1024.24 Lacs during the previous year.

During the year, there was suddenly steep increase in prices of basic raw materials and market has not accepted finished goods with commensurate increased in raw materials cost. Due to which the profitability has been affected marginally.

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 has accepted one deposit during the year of Rs. 1 Crore, hence as on 31.03.2011, the Company has 121 Fixed Deposits amounting to Rs. 126.04 lacs as compared to last year 593 fixed Deposit to Rs. 148.54 Lacs. 21 Fixed Deposits amounting to Rs. 4.04 lacs have remained unclaimed as at 31.03.2011.

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 Girish M. Dave and Shri Harshvardhan Piramal are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

Shri Prakash Mehta was appointed as an additional director w.e.f. 5th August, 2011. His appointment as director is proposed in the ensuing Annual General Meeting.

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:

The directors are taking corrective measures for the comments made by auditor.

COST AUDITORS:-

M/s. P. D. Phadke & Associates, Cost Accountants, have been appointed to conduct cost audit for the year ended 31st March 2012. 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 on at 31st March 2011, 44, 37, 139 shares representing 86.44% of Companies Equity Share Capital have been dematerialized. The Company has paid Annual Listing fees for the year 2011-2012 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:-

Pursuant to section 217 (2AA) of the Companies Act, 1956 inserted vide the Companies (Amendment) Act, 2000 the Directors of the Company Confirms that:

1. that the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departure;