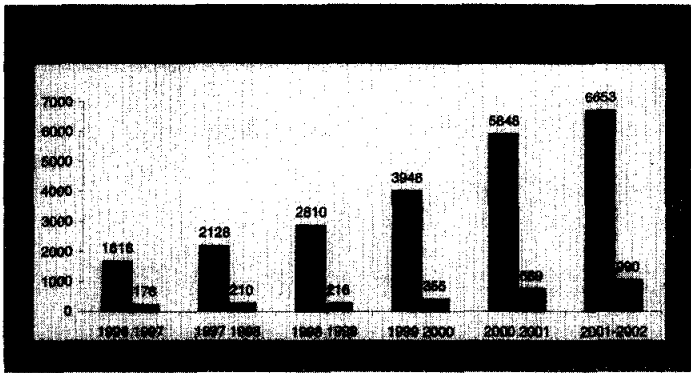


# ANNUAL REPORT 2001-2002

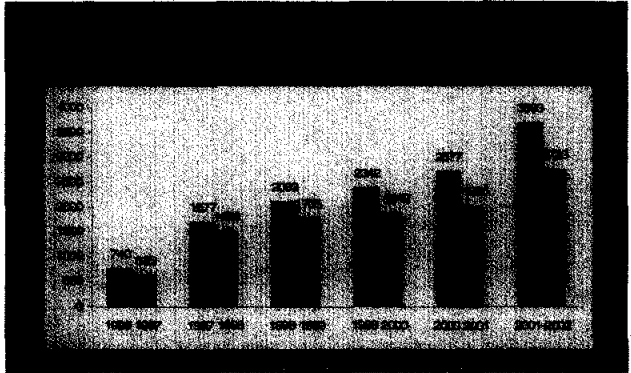
**Pioneer**

EMBROIDERIES LIMITED  
*a step ahead of time*

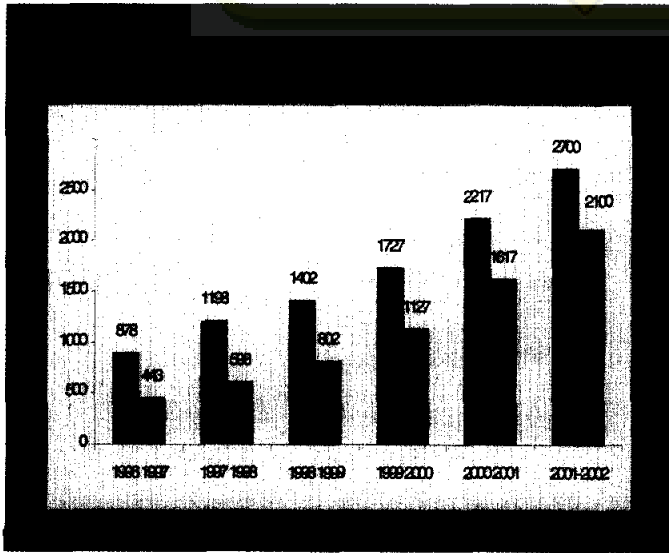
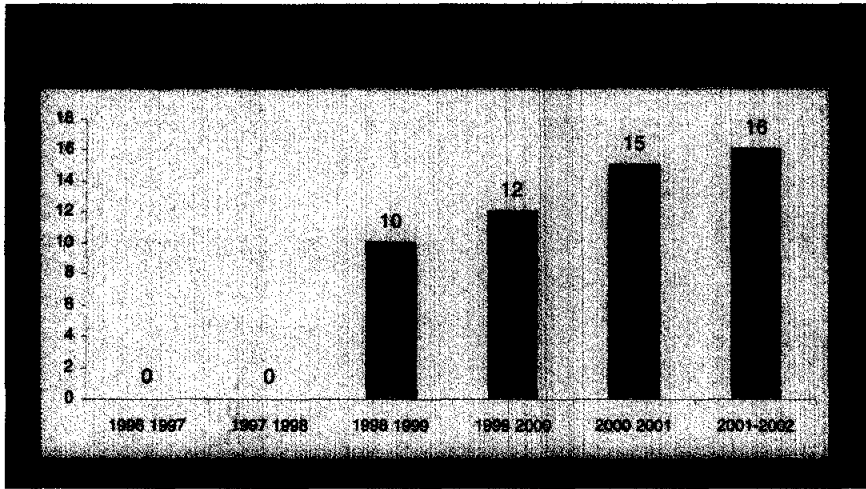




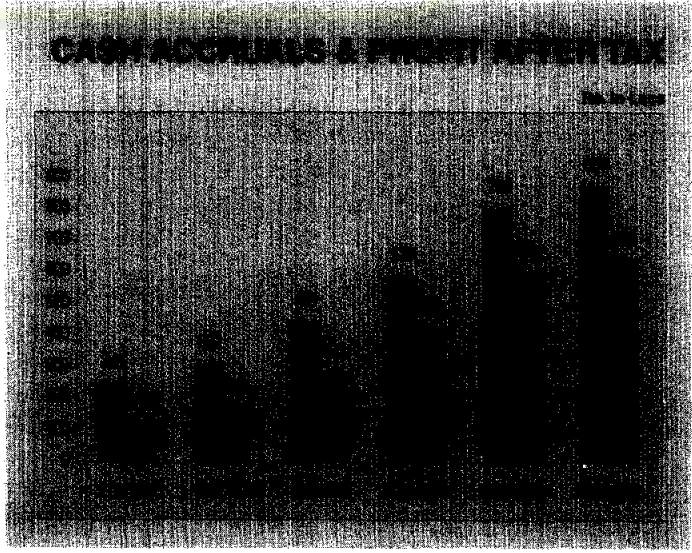
Total Turnover      Export Turnover



Gross Block      Net Block



Net Worth      Reserves



Cash Accruals      Profit After Tax



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**EMBROIDERIES LIMITED**

## BOARD OF DIRECTORS AND OTHER INFORMATION

### Board of Directors

RAJ KUMAR SEKHANI	Executive Chairman
MANAK CHAND BAID	Managing Director
VIJAY SINGH BAID	Executive Director
HEMANT KUMAR SETHIA	Director
MAHESH SINGHI	Director
SURENDRA KUMAR DUGAR	Director

### Bankers

STATE BANK OF INDIA

### Statutory Auditors

Bhageria Naredi & Associates  
Chartered Accountants

### Registered Office

Hakoba Compound,  
Western Express Highway,  
Borivali (East), Mumbai - 400 066.

### Telephone No.

91-22-690 6100  
91-22-699 7888-93

### Fax No.

91-22-854 6819

### Website

www.pelhakoba.com

### E-mail Address

tulip@bom3.vsnl.net.in

### Listing

Stock Exchanges at :

Mumbai

Delhi

Kolkata

Ahmedabad

**ISIN for dematerialisation of Shares**  
INE156C01018

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### WORKS

#### EMBROIDERY PLANTS

##### 1) At SARIGAM

1638-1639, G.I.D.C. Sarigam,  
Dist. Valsad, Gujarat.

##### 2) At NAROLI

Primer Industrial Estate,  
Survey No. 678/1/2, Village Naroli,  
Bhilad Naroli Road,  
Dadra & Nagar Haveli (U.T.).

##### 3) At MUMBAI ( Incl. Multihead)

Hakoba Compound,  
Western Express Highway,  
Borivali (East), Mumbai - 400 066.

#### BOBBIN LACE PLANTS

##### 1) At DADRA

Ankur, Plot No. 1,  
Sheetal Industrial Estate,  
Demni, Dadra (U.T.).

##### 2) At NAROLI

Primer Industrial Estate,  
Survey No. 678/1/2, Village Naroli,  
Bhilad Naroli Road,  
Dadra & Nagar Haveli (U.T.).

#### PROCESS HOUSE

1638-1639, G.I.D.C., Sarigam,  
Dist. Valsad, Gujarat.

#### Branches

##### Delhi Office:

4986, Baratooti Sadar Bazar, 1st Floor,  
Delhi - 110 006.

##### Kolkata Office:

14/2, Old China Bazar Street,  
2nd Floor, Room No. 135,  
Kolkata - 700 001.

##### Ahmedabad Office:

42, Mahalaxmi Complex,  
Ghee Kanta Road,  
Ahmedabad - 380 001.

##### Bangalore Office:

37/115, 2nd Main Road,  
Gangadara Layout,  
2nd Floor, Vijaya Nagar,  
Bangalore - 560 040.

##### Surat Office:

Adarsh Market - 2,  
Shop No. 546 & 547,  
Ring Road,  
Surat - 395 002.

##### Mumbai Sales Office:

- 1) Godown No.1, Rajada Chawl No.2/4,  
Old Hanuman 2nd Cross Road,  
Mumbai - 400 002.
- 2) 35, Shamseth Street, Chippi Chawl,  
1st floor, Mumbai - 400 002.



**Pioneer**  
**EMBROIDERIES LIMITED**

## NOTICE

**NOTICE** is hereby given that the Tenth Annual General Meeting of the Members of **PIONEER EMBROIDERIES LIMITED** will be held on Monday, the 30th September, 2002 at 5:00 P.M. at Bandhan Basera, Krishna Nagar, Shanti Van, Opposite Sona Talkies, Near National Park, Borivali (East), Mumbai – 400 066 to transact the following business :

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2002 and the Profit and Loss Account for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To declare Dividend on ordinary shares for the financial year ending on 31st March 2002.
3. To appoint Director in place of Mr. Raj Kumar Sekhani who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Director in place of Mr. Manak Chand Baid who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

### SPECIAL BUSINESS:

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

#### **VOLUNTARY DELISTING OF SECURITIES FROM DELHI STOCK EXCHANGE & AHMEDABAD STOCK EXCHANGES.**

**"RESOLVED THAT** in pursuance of guideline No. SMDRP/CIR/14/98 dated 29th April 1998 of SEBI (Securities and Exchange Board of India ) regarding voluntary delisting of the shares from Stock Exchanges and subject to the approval of the SEBI, the concerned Stock Exchanges and other regulatory authorities, if any, the consent of the company is hereby accorded to delist the equity shares of the company from DELHI STOCK EXCHANGE and AHMEDABAD STOCK EXCHANGE w.e.f. 31st March 2003 and the board is hereby authorized to do all acts, deeds and things necessary and expedient while complying with the said guidelines and any other regulatory requirements if any, for delisting of the equity shares from above said stock exchanges."

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

#### **INCREASE IN BORROWING POWERS OF THE BOARD U/S 293 (1) (d) OF THE COMPANIES ACT, 1956.**

**"RESOLVED THAT** in modification of the resolution passed at the 7th Annual General Meeting of the Company held on 30th September, 1999, consent of the company pursuant to the provisions of Section 293(1)(d) and other applicable provisions of the Companies Act, 1956, be and is hereby accorded to the Board of Directors of the Company, (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute) to borrow from time to time such sums of money as it may consider fit and proper for the purpose of the business of the Company, notwithstanding that the monies to be so borrowed together with 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, may exceed the aggregate of the paid-up capital of the Company and its free reserves, that the total amount so borrowed by the Board and outstanding at any time, shall not exceed the sum of Rs. 100.00 Crores (Rupees One Hundred Crores Only)."

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

#### **TO INCREASE THE POWERS OF THE BOARD OF DIRECTORS TO MORTGAGE/CREATE CHARGE U/S 293 (1) (a) OF THE COMPANIES ACT, 1956.**

**"RESOLVED THAT** in modification of the resolution passed at the 7th Annual General Meeting of the Company held on 30th September, 1999, consent of the Company be and is hereby accorded, pursuant to Section 293



# Pioneer

**EMBROIDERIES LIMITED**

(1) (a) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers conferred by this resolution) to mortgage and/or to create charge on such terms and conditions and at such time or times, in such form and manner as it may deem fit and proper, the whole or substantially the whole or any one or more undertaking or all of the undertakings of the Company, wheresoever situated, present and/or future including the present and/or future properties, whether moveable or immovable, comprised in any undertaking or undertakings of the Company, as the case may be, to or in favour of lenders/creditors, including all or any Bank(s), Financial Institution(s), declared or as may be declared as Public Financial Institution(s) under Section 4A of the Companies Act, 1956, Investment or Development Corporations or Agencies of the Central or any State Government, and also foreign agencies/banks/financial agencies and institutions, trustees and/or agents for the lender and/or debenture holders of the Company including any financial institution, bank, body corporate incorporated under any statute holding debenture of the Company or any other secured lender to the Company of all and every description (hereinafter collectively referred to as "the lenders") to secure rupee term loans, foreign currency loans, bonds, debentures, convertible notes and other securities issued against foreign and/or Indian currency and any other loan (hereinafter referred to as "the said loans") obtained or to be obtained from the lenders not exceeding an aggregate amount of Rs.100.00 Crores (Rupees One Hundred Crores Only) or the aggregate of the paid-up capital of the company and its free reserves (i.e. reserves not set apart for any specific purpose), whichever is greater, with powers to the lenders as agents and trustees or otherwise in terms of respective loan agreements/heads of agreement/hypothecation agreement/trust deeds/trustee agreements/letter of sanction/memorandum of terms and conditions/other documents (hereinafter referred to as "the said agreements") to take over the management of the business and concern of the company and/or enforce and/or sell the mortgaged securities in certain events and upon the other terms and conditions as may be decided upon by the Board in accordance with the relevant statutory provisions and the guidelines issued thereunder together with interest thereon at the respective agreed rates, additional interests, cumulative interests, remuneration of trustees, liquidated damages, commitment charges, premia, if any, on repayment or redemption, costs, charges and other monies payable by the Company to the lenders and/or their agents and/or trustees and to the holders of the debentures, convertible bonds, notes and other securities of the Company in terms of the said agreements entered/to be entered into by the Company for obtaining the said loans."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalise the said agreements and other documents and execute all such deeds, documents, instruments and to do all such acts, deeds, matters and things as may be necessary, requisite and expedient for giving full and final effect to this resolution."

**Registered Office :**

Hakoba Compound, Western Express Highway,  
Borivali (East),  
Mumbai - 400 066.  
Place : Mumbai.  
Date : 13th August, 2002.

By order of the Board of Directors  
For **PIONEER EMBROIDERIES LIMITED**

**MANAK CHAND BAID**  
Managing Director

**NOTES :**

1. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the Special Business under Item Nos. 6 to 8 is annexed herewith.
2. A member entitled to attend & vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself on a poll only and a proxy need not be a member.
3. Proxy Forms in order to be valid should be deposited at the Registered Office of the Company not less than 48 hours before the scheduled time for the meeting.
4. The Register of Members and Share Transfer Books will remain closed from 16th September 2002 to 30th September 2002 (both days inclusive).
5. Dividend on shares, as recommended by the Board of Directors, if approved at the Meeting, payment thereof will be made to those Shareholders, whose names appear:





**Pioneer**  
**EMBROIDERIES LIMITED**

- a) As beneficial owners, as on book closure date, as per list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited, in respect of the shares held in electronic form, and
  - b) As members in the Registers of Members of the company after giving effect to all valid shares transfers in physical form lodged with the company on or before book closure date.
6. Members are requested to inform the Company their PAN/GIR allotted to them by the Income Tax authorities and the ward/range/district where assessed/assessable as the same is required to be mentioned in the certificate of tax, if any tax is deducted from dividend.
  7. In terms of Notification issued by Securities and Exchange Board of India (SEBI), Equity Shares of the Company are under compulsory Demat trading by all investors. Shareholders are requested to avail this facility and get their shareholding converted into dematerialized form by sending the Dematerialisation Request Form (DRF) along with the share certificates through their Depository Participant (DP) at the Registered Office of the Company.
  8. Shareholders who hold shares in Demat form may please note that the Company will be mandatorily printing on the dividend warrants shareholder's Bank Details as furnished by their respective Depositories to the Company as advised by the Securities and Exchange Board of India. Members holding shares in Demat form must therefore give instructions regarding their Bank Account details to their Depository Participants. The Company will not act on any request received directly from shareholders for changes in their Bank Account details.
  9. Members who are holding physical shares in identical names in more than one folio are requested to write to the Company enclosing their share certificate(s) to enable the Company to consolidate their holding in one folio.
  10. As required under clause 49 of the Listing Agreement with the Stock Exchanges, a brief profile of the new Directors or the Directors retiring by rotation and eligible for re-appointment is given in Annexure to the Notice.
  11. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.
  12. Members are requested to affix their signatures at the place provided on the Attendance Slip annexed to the Proxy Form and hand over the slip at the entrance to the place of the Meeting.
  13. Shareholders seeking any information with regard to the Accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.

#### **ANNEXURE TO THE NOTICE**

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.**

##### **ITEM NO. 6 :**

The Securities of the Company are listed on the Four Stock Exchanges i.e. Ahmedabad Stock Exchange, Mumbai Stock Exchange, Calcutta Stock Exchange and Delhi Stock Exchange. It has been noticed that the volume of the securities traded in Delhi Stock Exchange & Ahmedabad Stock Exchange are negligible. In view of the wide penetration of Mumbai Stock Exchange all over the country and thin trading at Delhi Stock Exchange & Ahmedabad Stock Exchange, it is proposed by the Management that it is in the interest of the Company to delist the securities from the above said Stock Exchanges.

The Board will be fixing a Record Date thereby giving an exit opportunity to the effected shareholders of the region in compliance with the relevant clause of the Listing Agreements entered with the respective Stock Exchanges.

The Directors of the Company may deem to be interested to the extent of the shares to be bought by them.

Your Directors recommend the resolution for approval of the members.

##### **ITEM NO. 7**

The Shareholders at the Extra-ordinary General Meeting held on 24th May, 1993 had approved and delegated borrowing powers to the Board of Directors upto a sum of not exceeding Rs. 10.00 Crores. The same powers were modified by the Shareholders in the Annual General Meeting held on 28th November, 1997 and the limit was raised to Rs. 20.00 crores from the existing Rs. 10.00 crores and thereafter to Rs.50.00 Crores on 30th September, 1999. But considering the total requirements of funds for future expansion and for the purpose of implementation of future projects, it is considered necessary and expedient to increase the borrowing power of the Board of Directors from the present limits of Rs. 50.00 crores to Rs. 100.00 crores so that the Company can implement its future projects without any hinderence.

Section 293 (1) (d) of the Companies Act, 1956 requires the Board of Directors to obtain members approval to borrow monies in excess of the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, excluding temporary loans obtained from the Company's Bankers in the ordinary course of business.



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**EMBROIDERIES LIMITED**

Your Directors recommend the resolution as set out in item no. 7 of the Notice, for adoption. None of the Directors is interested or concerned in the resolution.

## ITEM NO. 8

In the resolution as set out in item no. 7 of the Notice it has been proposed that the borrowing powers of the Board of Directors of the Company be increased from Rs. 50.00 crores to Rs. 100.00 crores. The loans to the extent of the increased borrowing powers may be secured by creation of mortgage/charges on properties/undertakings of the Company in favour of the lenders and/or their agents and/or trustees for Debenture holders of the Company.

Mortgaging by the Company of its properties of the whole or substantially the whole or any or all of the undertakings of the Company in favour of the lenders and/or their agents and/or trustees in order to secure debt financing, within the overall limit of the borrowing powers of the Board of Directors may be regarded as disposal of the Company's properties in terms of Section 293(1)(a) of the Companies Act, 1956. It is therefore considered necessary for the members to authorise the Board of Directors to create mortgage/charge in the manner proposed in the resolution set out at item no.8 of the Notice to secure the loans to be taken by the Company to the extent of the enhanced borrowing powers of the Board of Directors as proposed in the resolution as set out in item no. 7 of the convening Notice i.e. Rs. 100.00 crores.

Your Directors recommend the resolution as set out in item no. 8 of the Notice, for adoption. None of the Directors is interested or concerned in this resolution.

## INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed / re-appointed are as given below:

- |   |  |
|---|--|
| <b>1. Name</b>  | : <b>MR. RAJ KUMAR SEKHANI</b>   |
| <b>Age</b>  | : 43 Years   |
| <b>Qualifications</b>   | : B.Com.   |
| <b>Expertise</b>  | : Having vast experience in the textile and Garment Accessories Industry.  |
| <b>Outside Directorships (excluding Private Companies)</b>              | : J. J. Textiles Limited<br>Salzer Textiles Limited<br>Pioneer E-com Fashions Limited<br>Twistex India Limited<br>Kiran Industries Limited |
| <b>Membership / Chairmanship of the Board Committees of the Company</b> | : Share Transfer Committee - Chairman<br>Corporate Governance Committee - Chairman   |
| <b>2. Name</b>  | : <b>MR. MANAK CHAND BAID</b>  |
| <b>Age</b>  | : 41 Years   |
| <b>Qualifications</b>   | : B.Sc.  |
| <b>Expertise</b>  | : Having more than 20 years of vast experience in Fashion & Garment Accessories Industry.  |
| <b>Other Directorships</b>  | : J. J. Textiles Limited<br>Salzer Textiles Limited<br>Pioneer E-com Fashions Limited.   |
| <b>Membership / Chairmanship of the Board Committees of the Company</b> | - Management Committee - Chairman<br>- Share Transfer Committee - Member   |

### Registered Office:

Hakoba Compound, Western Express Highway,  
Borivali (East),  
Mumbai - 400 066.  
Place : Mumbai.  
Date : 13th August, 2002.

By order of the Board of Directors  
For **PIONEER EMBROIDERIES LIMITED**

**MANAK CHAND BAID**  
Managing Director



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**EMBROIDERIES LIMITED**

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their Report and Statement of Accounts for the year ended 31st March 2002.

### FINANCIAL HIGHLIGHTS :

		(Rs. in Lacs)
	For the Year ended 31st March 2002	For the Year ended 31st March 2001
Turnover		
– Domestic	5662.15	5159.62
– Export	990.47	688.70
	<b>6652.62</b>	<b>5848.32</b>
Profit before Financial Charges, Depreciation & Tax	1242.83	1033.66
Financial Charges	339.67	214.21
Profit before depreciation and tax	903.16	819.45
Depreciation on fixed assets	227.81	213.73
Profit before tax	675.35	605.73
Provision for tax for current year	40.00	30.00
Provision for deferred tax liability	5.14	—
Profit after tax	630.21	575.73
Income tax for earlier year	—	13.52
Net profit	630.21	589.25
Cash Accruals	869.32	795.62
Basic & diluted Earning Per Share (Rs.)	10.50	9.60
Cash Earning per share (Rs.)	14.89	13.62
<b>Disposable Profits :</b>		
Net Profit	630.21	589.25
Balance of net profit brought forward from previous year	1017.32	727.24
Disposable Profits	1647.53	1316.49
<b>Appropriations :</b>		
Transfer to General Reserve	100.00	200.00
Proposed Dividend	96.00	90.00
Dividend Tax on Proposed Dividend	—	9.18
Balance of Profit carried forward to next year	1451.52	1017.32

### YEAR IN RETROSPECT

The sales and other income for the year under review, were Rs 67.17cr as against Rs 58.77 cr for the previous financial year registering a growth of 14.29%.The profit before tax was Rs 6.83 cr and profit after tax ( after provision of deferred tax and current tax ) was Rs 6.38 cr with a growth of 12.81% & 10.85% respectively over the previous year.

### INTERNATIONAL TRADE

The exports during the year under review have registered a growth of 43.82% at Rs.990.47 lacs as compared to Rs.668.70 Lacs in the previous year. Company's plans to have subsidiary at UAE and Nigeria as well as setting of new project under 100% EOU will add to further growth under this segment.

### FINANCE

During the year under review, your company has raised term loan of Rs 18.50 cr from Union Bank of India under Technology Up-gradation Fund Scheme to part finance its expansion project of embroidery division. The company has availed Rs. 7.47 cr from this term loan upto 31.3.2002. Overall increase in long term borrowing during the





**Pioneer**  
**EMBROIDERIES LIMITED**

year stood at Rs. 6.48 cr net of repayment. During the year under review your company has swap part of its working capital limits with FCNR B loan, thereby reduced the overall cost of borrowing.

#### **DIVIDEND**

Your directors have recommended dividend of 16% for the financial year 2001-02 as against 15% dividend paid for the financial year 2000-01. The dividend will absorb Rs 96.00 lacs (Rs 99.18 lacs including dividend tax).

#### **CONTRIBUTION TO EXCHEQUER**

Your company has contributed a sum of Rs 437.52 lacs to the exchequer by way of duties and taxes.

#### **CAPITAL EXPENDITURE**

Your company has gone for major expansion of its embroidery division during the current year with a total project cost of Rs 26.50 cr. The company has acquired manufacturing premises located at Borivali, Mumbai from Fancy Corporation Limited and installed three latest computerized embroidery machines. Balance four machines under this expansion project will be imported and installed during the current year. With a planning to venture in retail segment, your company has also acquired the well known brand HAKOBA from Fancy Corporation Limited.

#### **FUTURE CAPITAL COMMITMENTS**

Till date, your company was mainly concentrated in whole sale and institutional sales segment. With a view to broad base its marketing, further your company plans to enter retail segment and plans to establish retail chain under the brand HAKOBA. To give major thrust to export of its bobbin lace division, your company is planning to set up 100% EOU at Silvassa (UT) by importing second hand computerized plant consisting of 50 Bobbin Lace machines with a total project cost of Rs 3.50 cr. This expansion will be over during the current year and working of the same will be reflected in the results of 2003-04.

#### **FUTURE PROSPECTS**

The company has taken up modernization and expansion projects to equip itself to face the global challenges. This will further increase the Company's capacity & product range and to create niche market for its range of products globally and provide higher value addition and increase substantially the Company's direct exports in the near future. Your Company with fully integrated modern facilities will be in a position to take the advantage of the global market. The management of your Company look forward to the future with confidence.

#### **SUBSIDIARY COMPANY**

During the current year, the Company has increased its holding in Salzer Textiles Limited, to 52.49 % from 49.91% as on 31.3.2002 by acquiring additional 295900 equity shares, thus becoming its subsidiary company.

#### **DIRECTORS**

Mr T.A.N Devalkar resigned as a director of the company w.e.f. 20-02-2002. He was a Director since 13.07.1999 representing SICOM Limited. The directors record their appreciation of the valuable services rendered by Shri T.A.N Devalkar.

Mr. Raj Kumar Sekhani and Mr. Manak Chand Baid will retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

#### **DELISTING**

The Securities of your Company are listed on Ahmedabad Stock Exchange, Mumbai Stock Exchange, Calcutta Stock Exchange and Delhi Stock Exchange. In view of phenomenal increase in penetration of Mumbai Stock Exchange all over India and very thin trading of the securities of the Company at Ahmedabad and Delhi Stock Exchanges, the management of your Company has proposed to delist the securities from these Stock Exchanges.

#### **INFORMATION TECHNOLOGY**

To gear up to face the challenging competition and challenges in the market, to increase the productivity of its



**Pioneer**  
**EMBROIDERIES LIMITED**

human resources and to integrate the business across various functions, your company has adopted well defined programme to implement the total computerization of whole system under the team of experienced professionals.

#### **INSURANCE**

All the insurable interests of your Company including inventories, buildings, plant and machinery are adequately insured against risk of fire and other risks.

#### **AUDITORS**

M/s. Bhageria Naredi & Associates, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting of the Company and are recommended for re-appointment.

#### **AUDITORS' REPORT**

The Auditor's Report to the shareholders do not contain any qualifications.

#### **CORPORATE GOVERNANCE**

Your Company firmly believes to be a good Corporate Citizen and has implemented the process of meeting Corporate Governance norms. The Company's view on Corporate Governance is not only to comply the regulatory requirements but also to account sound management values for enhancing and meeting shareholders expectations. As a result, a number of provisions regarding Corporate Governance prescribed by the Listing Agreement have already been complied with and adequate steps are being taken to comply with the balance provisions within the current financial year. A separate report on Corporate Governance is enclosed as a part of the Annual Report.

The Management Discussion and Analysis Report forms a part of this report and is annexed hereto as Annexure IV.

#### **FIXED DEPOSITS**

During the year under review, the Company has not accepted any Deposits within the meaning of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

#### **INDUSTRIAL RELATIONS**

Harmonious Industrial Relations prevailed during the year with its human resources in all its Divisions, which enabled it to achieve this performance level on all fronts.

#### **PARTICULARS OF EMPLOYEES**

None of the employees of the Company receives remuneration in excess of the limits as prescribed under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be given.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are attached as Annexure I to this report.

#### **DEMATERIALISATION OF SHARES**

The shares of the Company are compulsorily traded in dematerialized form and are available for trading under both the Depository Systems in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under section 217(2AA) of the Companies Act, 1956, your directors state that:

- (i) in the preparation of the annual accounts, the applicable accounting standard have been followed;