



Quality Assured Company
ISO-9001:2000



*Pasupati
Acrylon Ltd.*

ANNUAL REPORT 2009-2010

PASUPATI ACRYLON LIMITED

BOARD OF DIRECTORS

Managing Director

Shri Vineet Jain

Directors

Shri M.M. Kohli

Shri Ravinder Kapur

Shri S. Sathyamoorthy

Shri Rakesh Gupta PICUP Nominee

Shri K. D. Sharma PICUP Nominee

Shri S.C. Malik Director (Finance)

Auditors

M/s. B.K. Shroff & Co.
New Delhi

Bankers

Allahabad Bank
State Bank of Patiala
UCO Bank
Bank of Maharashtra
State Bank of Travancore
Bank of Baroda
Canara Bank

Regd. Office & Works

Thakurdwara
Kashipur Road
Distt. Moradabad (U.P.)- 244 601
Ph: 0591-2241352-55, 2241263
Fax: 0591-2241262
Email : works@pasupatiacrylon.com

Corporate Office

M-14, Connaught Circus,
(Middle Circle)
New Delhi-110 001
Ph: 011-47627400
Fax: 011-47627497
Email: delhi@pasupatiacrylon.com

Registrar & Share Transfer Agents

MCS Ltd.
F-65 Okhla Industrial Area
Phase-I, New Delhi-110 020
Ph: 011-41709881 Fax: 011-41406148
Email: admin@mcsdel.com

Shri Rakesh Mundra AVP (Finance) &
Company Secretary

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the members of Pasupati Acrylon Ltd., will be held on Saturday the 25th day of September 2010 at the plant premises of Pasupati Acrylon Ltd., Village Thakurdwara, Kashipur Road, Distt. Moradabad (U.P.) at 10.30 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Account of the company for the period ended on March 31, 2010 the Balance Sheet as on date, Auditors' Report thereon and the Director's Report.
2. To appoint a Director in place of Shri M.M. Kohli, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S.C. Malik, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification(s), the following resolution:

As Ordinary Resolution

- 5 "RESOLVED THAT the consent of the company be and is hereby accorded to the Board of Directors in terms of section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to create mortgage and/or charge by way of 1st charge on pari-passu basis in favour of prospective lenders on specific plant & machinery acquired/ to be acquired out of the term loan raised for the project i.e. Power Plant and new facility to produce Acrylic Fibre together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment, costs, charges, expenses and other monies, if any, payable by the Company in terms of the loan agreement/other documents to be finalized and executed between the company and the Lenders as above and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors and the Lenders.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to finalise documents for creation of mortgage and/or charge and to do all such acts, deeds, matters and things and execute all such documents,

instruments and writings as may be required for giving effect to the resolution".

By order of the Board
PASUPATI ACRYLON LIMITED
(Rakesh Mundra)
 Company Secretary

Place : New Delhi
 Dated : July 30, 2010
 Registered Office
 Thakurdwara Kashipur Road
 Distt. Moradabad
 Uttar Pradesh

NOTES:-

- 1 (a) A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote on his behalf and such a proxy need not be a member.
- (b) Proxies in order to be effective must be received at the Registered office of the Company, not less than 48 hours before the Annual General Meeting.
- (c) Members/proxies should bring the Attendance Slip duly filled in for attending the meeting.
2. Information relating to item No. 2 & 3 as required under clause 49 of the Listing Agreement with the Stock Exchanges and explanatory statement relating to item No. 5 pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 17.09.2010 to 25.09.2010 (both days inclusive).
4. Members who hold shares in de-materialised form are requested to bring their client ID and DP ID numbers for facilitating identification for attendance at the meeting.
5. Members who are holding shares in identical names under more than one Folio are requested to write to the Company to consolidate their shareholdings under one Folio. The members are also requested to notify to the Company any change in their address.
6. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m.
7. The members can contact/write to the Company at its Corporate Office at M-14, Connaught Circus (Middle Circle), New Delhi-110001 in addition to its Registered Office.
8. Members needing any information are requested to write to the company at its above said Corporate Office at least 7 days in advance of the Annual General Meeting, so as to enable the management to keep the information ready at the meeting.
9. Member(s) are advised to avail of nomination facilities pursuant to Section 109A of the Companies (Amendment) Act, 1999. They may nominate a person in the prescribed manner i.e. by sending Form 2B (enclosed with the Annual Report), under Rule 4CCC and 5D duly filled and signed by the Member(s) to whom his/her shares shall vest in the event of his/her death. They may send the nomination form to the Company at its Corporate Office directly.

ANNEXURE TO THE NOTICE

Brief resume and other information, in respect of the Director(s) seeking re-appointments at the Annual General Meeting, as required under Clause 49(vi) of the Listing Agreement with the Stock Exchanges are given herein under:

ITEM NO. 2 & 3

Name of Director	Mr. M.M. Kohli	Mr. S.C. Malik
Date of Birth	04.06.1930	10.01.1950
Date of Appointment	01.02.1989	01.10.1994
Experience in specific Functional Area	A retired IAS officer of 1952 batch was the Ex-Secretary to Ministry of Energy, Government of India. He has also held various senior positions in the state as well as at the Central Government and has varied experience in specialities function and general management.	A Fellow Member of the Institute of Chartered Accountants of India, has been in the service of your Company since 1990 and had held senior positions in Finance and Accounts Departments of your company, prior to his appointment as whole time Director (Finance)
Qualification	M.A. (Eco.)	B.Com (Hons), F.C.A
Directorship in other public Limited Companies	Nil	Nil
Member / Chairman of committee of the Board of the public limited companies on which he is a director	Except Member in Audit Committee and Member in Remuneration Committee of Pasupati Acrylon Limited, Shri Kohli does not occupy any Committee membership in any other Public Limited Company.	Except Member in Audit Committee and Share Transfer-cum-Shareholders Grievance Committee of Pasupati Acrylon Limited, Shri Malik does not occupy any Committee membership in any other Public Limited Company.

ITEM NO. 5.

Section 293 (1) (a) of the Companies Act, 1956 provides *inter alia* that the Board of Directors of a public Company shall not, without the consent of such company in General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, the whole or substantially the whole of any such undertaking

Your company is in the process of setting up a Power Plant by installing Boiler & Turbine. The Boiler is multifuel feed and be operated on coal or coal + Gas combination. With the installation of new Power Plant, Company would save on energy cost and also would be able to run inferior quality of coal. Further your company is also in the process of setting up a New Plant for manufacturing 12000 TPA Acrylic fibre.

For the above projects, your company is in the process of tying up term loan from various lenders. The said facilities will be secured on pari passu basis on specific plant & machinery acquired/to be acquired.

Mortgaging/charging by the company of its immovable properties in favour of the lenders as aforesaid may be regarded as disposal of the whole or substantially the whole of the said undertakings of the company and accordingly, consent of the Members of the company is sought for creation of mortgages/charges as set out in the Resolution No.5

Your directors recommend the resolution for your approval.

None of the directors is in any way interested or concerned in this resolution.

By order of the Board
PASUPATI ACRYLON LIMITED

(Rakesh Mundra)
Company Secretary

Place : New Delhi
Dated : July 30, 2010
Registered Office
Thakurdwara, Kashipur Road
Distt. Moradabad
Uttar Pradesh-244601

DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting Annual Report of the Company together with the Audited Accounts for the period ended on 31st March, 2010 (6 Months)

FINANCIAL RESULTS

Salient financial results during the period under review as compared to the previous period are mentioned below:-

	01.10.2009 to 31.03.2010 (6 Months)	(Rs. in Crores) 1.4.2008 to 30.09.2009 (18 months)
Sales (Gross) & Other Income	232.01	499.69
Profit before Interest & Depreciation	34.16	0.86
Financial Charges	3.22	12.27
Depreciation	8.62	9.06
Profit/(Loss) before Taxes	22.32	(20.46)
Payment/Provision for Taxes	0.01	0.21
Extra-ordinary Income/(Expense)	(14.03)	17.94
Profit/(Loss) after Taxes	8.28	(2.74)

The Directors do not recommend dividend for the period.

OPERATIONS

With a view to align the financial year with the income tax period the Board of Directors decided to move to April-March period. As such the present financial year of Company is consisting of six months i.e. from 01.10.2009 to 31.03.2010.

The Company has recorded a production of 14957 MT and a Sale of 16821 MT during the period (6 Months) under review as against 44948 MT and 43606 MT respectively during the previous period (18 Months). The gross turnover during the period was Rs.228.38 Crores (6 Months) as against Rs.496.82 Crores (18 Months) in the previous period.

The Company recorded an EBIDTA of Rs. 34.16 Crores for the period as against 0.86 Crore in the previous period. The Company could post good profits on the back of strong recovery in demand coupled with good prices.

As reported in earlier years due to inverted duty structure the Company is facing CENVAT credit accumulation, the situation is yet continuing. Though the Industry has time and again urged Government to provide relief by way of correcting the inverted duty structure but nothing has been done so far. The Company in these accounts charged Rs.13.45 Crores to Profit & Loss A/c on account of CENVAT accumulation as in the opinion of Board of Directors the Company would not be able to adjust the same against sales.

During the period under review the Company settled dues of a financial institution on one time settlement (OTS) basis. Interest waiver arising out of OTS amounting to Rs.6.37 Lacs has been credited to Profit & Loss Account and waiver in principal amounting to Rs.3.54 Lacs has been credited to Capital Reserve Account.

MANAGEMENT DISCUSSION & ANALYSIS

a) Industry Structure and Development

The Demand of Acrylic Fibre picked up during the period globally and domestically, mainly due to global recovery. During the current year the demand of Acrylic Fibre likely to remain good.

b) Opportunities and Threat

Leading international sportswear brands seeking to source their product from India as such the demand of the product is likely to remain strong. There exists scope for development of value added variants.

The Acrylic Fibre is surplus in many countries as such there are fears of dumping the same into India, though Govt of India has imposed anti dumping duty on imports from certain countries but still a lot need to be done to check the abnormal imports.

The Company is dependent on imported raw materials to a large extent and any increase in crude oil price and foreign exchange fluctuation adversely affects the prospects of the Company.

Acrylic Fibre competes with the Cotton and Polyester Fibre. The gap in the prices of Acrylic Fibre vis-à-vis cotton & polyester encourages substitution of acrylic Fibre with these Fbres.

c) Segment-wise/Product-wise performance.

The Company has only one segment i.e. Acrylic Fibre.

d) Risk and Concern

The Company/Industry imports most of its requirement of raw-material i.e. A C N, M A, DMF etc. All these are derived from crude, as such any move upward or down ward affects the pricing of these products. But some times the prices do not move in tandem with crude as happening in recent time. For last couple of months the Crude is hovering around 75 USD Per Barrel while the A C N prices are ruling abnormally high. In such a circumstance the demand of the product affects adversely due to high selling prices, consequently the manufacturers faces inventory accumulation and consequently incurs losses. The global economic growth and trends in the coming year will also influence the Acrylic Fibre industry performance.

FUTURE OUTLOOK

The raw material prices are volatile so as the sale price. It remains to be seen as to where the raw material prices settle down. Your Company is making every effort to contain the cost and also pass on increase in cost due to increase in raw material prices to market. It will make efforts to adopt prudent and proactive measures to mitigate the situation.

DIRECTORS' REPORT (Contd.)

EXPANSION OF CAPACITY

As reported last year your company is in the process to enhance capacity from 30000 MTPA to 42000 MTPA. The Company also plan to put up a Power Plant of 8 MW

The expanded production will add to the capabilities of the company to withstand the competition from domestic as well as international manufacturers

ISO CERTIFICATION

Your Company is an ISO 9001:2000, accredited by Bureau of Indian Standard, Rooid Voor Accreditatie, Netherland. This certification indicates our commitments in meeting global quality and standards.

FIXED DEPOSITS

The outstanding public deposits at the end of the accounting period under review amounted to Rs.Nil.

DIRECTORS

Shri M.M. Kohli and Shri S.C. Malik. Directors retires by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956.

Your Directors hereby confirm that:-

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit or loss of the company for that period;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the directors had prepared the annual accounts on a going concern basis.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

The Company valued, human resources as its most valuable assets, among all other assets of the company. It has been the policy of the company to actuate the talent by providing opportunities to develop themselves within the organisation. The company continued to have a very cordial and harmonious relation with its employees.

INTERNAL CONTROL SYSTEM AND ADEQUACY

Your company has been maintaining a well-established procedure for internal control system. For the purpose of financial control, company is adequately staffed with experienced and qualified personnel at all levels and plays an important role in implementing and monitoring the statutory and internal policy control environment. There has been a review conducted on regular interval by the internal auditors about the financial and operating control at various locations of the company and any significant findings are reviewed by the Audit Committee of the Board of Directors.

EMPLOYEES

Information under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 is appended here with.

CORPORATE GOVERNANCE

The company has complied with the Corporate Governance code as stipulated under the listing agreement executed with the Stock Exchanges. A separate section on Corporate Governance, alongwith a certificate from the auditors of the company confirming the compliance is annexed and forms part of this Report.

COST AUDIT

The reports of Mr.Satnam Singh Saggu, Cost Accountants, in respect of the Cost Accounts of the company for the period ended 31st March, 2010 will be submitted to the Central Government in due course.

AUDITORS AND THEIR REPORT

M/s. B.K.Shroff & Co., Chartered Accountants, New Delhi retires at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Company has received certificates from them under Section 224(1-B) of the Companies Act, 1956.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

A statement giving details of conservation of energy, technology absorption and foreign exchange earning and outgo in terms of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and form part of this Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep appreciation of the continued support and co-operation received from Financial Institutions, Banks and Shareholders, the State and Central Government.

Your Directors also wish to place on record their appreciation of the devoted services of the Company's employees, which have in great way contributed to the Company's progress.

for and on behalf of the Board

S. C Malik
Director (Finance)

Vineet Jain
Managing Director

DIRECTORS' REPORT (Contd.)

ANNEXURE TO DIRECTOR'S REPORT

Statement of particulars Under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rule, 1975 forming part of Director's Report for the period ended 31.03.2010.

S.No. No.	Name of Employee	Age	Qualification	Exp. (yrs)	Date of Employment	Designation	Remuneration	Last Employment
Employed through the Financial year and in receipt of remuneration aggregating not less than Rs.24,00,000/- per annum.								
1.	Vineet Jain	41	BBA London	20	01.01.1990	Managing Director	Rs.22,83,891/-	-

Notes :

- Perquisites have been valued in terms of actual expenditure incurred by the Company in providing the benefits to the employee except in the case of certain expenses where the actual amount of expenditure cannot be ascertained with reasonable accuracy, notional amount as per Income Tax Rules has been added. Actuarial valuation based contribution / provision with respect to gratuity and leave encashment have not been included as these are for the Company as a whole.
- The Employment is Contractual.

For and on behalf of the Board

S.C. Malik
Director (Finance)

Vineet Jain
Managing Director

Place : New Delhi
Dated : July 30, 2010.

(Additional Information in terms of Notification No.1029 of 16.12.1988 issued by the Department of Company Affairs)

[A] CONSERVATION OF ENERGY

(a) Energy conservation measures taken during the period under report are as under:

- Installation of Variable Speed Drives in place of DC Motors of Flapping Machines.
- Flash Steam Scrubber was installed on Chiller condensate tank to reduce steam loss.
- More CFL Fittings were provided on Street Lights in place of Mercury Vapour Lamps..

(b) Additional investments and proposals

Installation of high efficiency Vapour Absorption Chiller to reduce steam consumption.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production.

On account of above measures there would be substantial savings.

(d) The total energy consumption per unit of production as per Form - A is annexed herewith.

[B] TECHNOLOGY ABSORPTION

Efforts made towards technology absorption are given as per Form-B is annexed herewith.

[C] FOREIGN EXCHANGE EARNINGS & OUTGO

(a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plan.

Your company has exported Fibre amounting to Rs.711.28 Lacs (FOB) as compared to Rs. 667.28 Lacs during the pervious period. Continuous efforts are being made to improve export performance.

(b) Total Foreign Exchange Used & Earned

		(Rs.in lacs)	
		(6 Months Period 2009-10)	(18 Months Period 2008-09)
Foreign Exchange Used			
i)	Travelling	13.94	23.42
ii)	Interest & other charges	120.08	348.57
iii)	Commission on export sales	1.40	5.41
iv)	CIF Value of Imports		
	- Raw Material	10305.42	29391.21
	- Stores and spares	35.40	175.66
Foreign Exchange Earned :			
	- FOB Value of Exports	711.28	667.28

DIRECTORS' REPORT (Contd.)

FORM - A

(See Rule-2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

(A) POWER AND FUEL CONSUMPTION

		6 Months Period Ending March 31, 2010	18 Months Period Ending Sept. 30, 2009
1. Electricity			
a) Own Generation			
(i) Through Diesel Generator Units (in lacs)	KWH	1.88	7.62
Unit Per Ltr. of Diesel Oil	KWH/Litre	3.20	3.14
Cost/Unit	Rs./KWH	9.54	9.67
(ii) Through Turbines			
Units (in lacs)	KWH	179.61	537.92
Total Cost	Rs./Lacs	899.95	2522.80
Cost/Unit	Rs./KW	5.01	4.47
2. Coal			
Quality of Coal & where used	'B', 'C' & 'D' grade Coal used in Boiler for generation of Steam		
Quantity - Units	MT	37361	109519
Total Cost	Rs./Lacs	1818.20	5121.11
Average Rate	Rs./MT	4866.56	4676.00
(B) Consumption Per Unit Of Production			
Products	Acrylic Fibre/Tow/Tops		
Electricity	MW/MT	1.21	1.21
Coal (B, C & D Grade coal used In Boiler for generation of Steam)	MT	2.50	2.44

DIRECTORS' REPORT (Contd.)

FORM - B (See Rule-2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

(A) RESEARCH & DEVELOPMENT (R&D)

1. **SPECIFIC AREAS IN WHICH R&D CARRIED OUT BY THE COMPANY :**
 - Development of Low Pill fibre with modified parameters is under progress.
 - Super High Shrinkage fibre development completed
2. **BENEFITS DERIVED AS A RESULT OF THE ABOVE R&D :**
 - Speciality Acrylic Fibre development work will lead to other fields of acrylic fibre application
3. **FUTURE PLAN OF ACTION :**
 - To improve Acrylic Fibre quality in different categories.
4. **EXPENDITURE ON R&D**

	6 Months period 2009-2010	(Rs.in lacs) 18 Months period 2008-2009
a) Capital –	–	–
b) Recurring	8.34	24.35
c) Total	8.34	24.35
d) Total R&D expenditure as a percentage of total turnover	0.04%	0.05%

(B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, if brief, made towards technology absorption, adaptation and innovation - No
2. Benefits derived as a result of the above efforts, eg. product improvement, cost reduction, product development, import substitution etc. - N.A.
3. Particulars of imported technology in the last five years:
 - (a) Technology imported : NA
 - (b) Year of Import : NA
 - (c) Has technology been fully absorbed : NA
 - (d) If not fully absorbed, reason for & future action plan : NA

AUDITORS, CERTIFICATE ON CORPORATE GOVERNANCE

UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

We have examined the compliance of conditions of Corporate Governance by M/S. PASUPATI ACRYLON LIMITED for the year/ 6 months period ended on 31st March 2010, as stipulated in clause 49 of the Listing Agreement of the said company with Stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as mentioned in the above mentioned listing agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India. We have to state that the Registrar and share Transfer Agent of the Company has certified that there was no investors grievances/ complaints pending against the company as at the year end.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For B. K. SHROFF & CO.
Chartered Accountants

O.P. Shroff
Partner
Membership No. 6329

Place : New Delhi
Dated : July 30, 2010

CORPORATE GOVERNANCE REPORT FOR THE PERIOD 1-10-2009 TO 31-03-2010 (6 MONTHS)

Corporate Governance

As required under Clause 49 of the Listing Agreement of the stock exchange(s).

1) Company's Philosophy

Corporate Governance refers to set of policies, principles, laws, regulations and procedures etc. Our company has made the requisite compliance under Corporate Governance. Over the years the company has been disclosing information concerning the performance and future prospects of the company in its Director's Report. As required under Clause 49 of the Listing Agreement with Stock Exchanges, following disclosures are set out towards achievements of good Corporate Governance.

2) Board of Directors

The Board of Directors consists of three promoter directors (one managing director and two nominee directors of PICUP), one whole time director (finance) and three non-executive directors.

The Company did not have any material pecuniary relationships with the non-executive directors during the period under review except payment of sitting fee for attending the Board/Committee Meeting(s).

The remuneration of executive/non-executive directors is decided by the Board of Directors.

During the period, two Board Meetings were held on 19.11.2009 and 30.01.2010.

None of the Directors of the Board is member of more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are directors.

The composition of Directors and the attendance at the Board Meetings during the period and the last Annual General Meeting and also number of other directorships and Committee Memberships are given below:

Sl. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other Director-ships	No. of Member of other Committees	Chairman-ship of other Committee(s)	Note No.
1	Mr. Vineet Jain	Managing Director & Executive Director	2	No	-	-	-	A
2	Mr. M.M. Kohli	Non-Executive Director	2	No	-	-	-	B
3	Mr. Ravinder Kapur	Non-Executive Director	1	Yes	-	-	-	B
4	Mr. S. Sathyamoorthy	Non-Executive Director	1	No	-	-	-	B
5	Mr. Rakesh Gupta (PICUP Nominee)	Non-Executive Director	1	No	1	-	-	BC
6	Mr. K.D. Sharma (PICUP Nominee)	Non-Executive Director	-	No	1	-	-	BC
7	Mr. S.C. Malik	Director (Finance) & Executive Director	2	Yes	-	-	-	

A. Promoter Directors.

B. Non-executive and independent Directors.

C. Promoter Director pursuant to assisted sector agreement between the company and PICUP. However, pursuant to clause 49(1), they are being treated as Independent Director being Nominee of Financial Institutions.

3. Audit Committee

The Audit Committee of the Company met two times during the period on following dates:

19.11.2009 and 30.01.2010.

Terms of reference of the Audit Committee are as per the guidelines set out in the listing agreements with the Stock Exchanges and also as per Section 292A of the Companies Act. It interalia also include the overview of the Company's financial reporting processes, review of the half yearly and annual financial statements, the adequacy of internal control systems, the financial and risk management policies etc.