



Rane Brake Linings Limited



38th ANNUAL REPORT 2003

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **Thirty Eighth Annual General Meeting** of the Equity Shareholders of the Company will be held at **10.00 a.m. on Friday, the July 25, 2003, at Narada Gana Sabha ('Main Hall'), 254, TTK Road, Chennai 600 018, to transact the following:**

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report, the audited accounts of the Company for the year ended March 31, 2003 and the Auditors' report thereon.
To consider adoption of the following resolution, with or without modification, as an **ordinary resolution** :
"Resolved that the Profit and Loss Account for the year ended March 31, 2003 and the Balance Sheet as at March 31, 2003 together with the report of the Directors and the Auditors be and are hereby adopted."
2. To declare dividend on equity shares.
To consider adoption of the following resolution, with or without modification, as an **ordinary resolution** :
"Resolved that a dividend at 80% on the equity shares be declared for the year ended March 31, 2003 and that the dividend be paid to those shareholders, whose names appear on the Company's Register of Members as on July 15, 2003."
3. To appoint a Director in the place of Mr L Ganesh, who retires by rotation under Article 115 of the Articles of Association of the Company and being eligible, offers himself for re-election.
To consider adoption of the following resolution, with or without modification, as an **ordinary resolution** :
"Resolved that Mr L Ganesh, be and is hereby reappointed Director of the Company."
4. To appoint a Director in the place of Dr R Natarajan, who retires by rotation under Article 115 of the Articles of Association of the Company and being eligible, offers himself for re-election.
To consider adoption of the following resolution, with or without modification, as an **ordinary resolution** :
"Resolved that Dr R Natarajan, be and is hereby reappointed Director of the Company."
5. To appoint Auditors of the Company and to determine their remuneration. The retiring Auditors Messrs D Rangaswamy & Co., Chartered Accountants, are eligible for re-appointment. The declaration under Section 224(1B) of the Companies Act, 1956 has been received.
To consider adoption of the following resolution, with or without modification, as an **ordinary resolution** :
"Resolved that Messrs D Rangaswamy & Co., Chartered Accountants, be and are hereby appointed as the auditors 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."
"Resolved further that the power to determine the remuneration to the Auditors be and is hereby delegated to the Board of Directors."

SPECIAL BUSINESS :

6. To consider adoption of the following resolution, with or without modification, as an **ordinary resolution** :
"Resolved that Mr V Ramachandran, who holds office as an additional Director of the Company up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company, whose period of office shall be subject to retirement by rotation."
7. To consider adoption of the following resolution, with or without modification, as an **ordinary resolution** :
"Resolved that Mr S A Murali Prasad, who holds office as an additional Director of the Company up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company, whose period of office shall be subject to retirement by rotation."
8. To consider adoption of the following resolution, with or without modification, as a **special resolution** :
"Resolved that pursuant to Section 163 and other applicable provisions, if any, of the Companies Act, 1956, consent be and is hereby accorded to keep and maintain the Register of Members and the Index of Members of the Company at the office of the Registrars and Share Transfer Agents of the Company, viz. M/s Integrated Enterprises (India) Limited, "Kences Towers", 1, Ramakrishna Street, T. Nagar, Chennai 600 017 with effect from July 25, 2003."

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9. To consider adoption of the following resolution, with or without modification, as a **special resolution** :

"Resolved that in terms of Article 106 of the Articles of Association and pursuant to the provisions of section 309(4)(b), 310 and other applicable provisions, if any, of the Companies Act, 1956, subject to approvals as may be required, the payment and distribution by way of commission in addition to the sitting fee to the Directors (other than the Managing and Whole-time Directors, but including Alternate Director/s of the Company, the aggregate of commission and sitting fees not exceeding 1 (one) percent of the net profits of the Company calculated in accordance with the provisions of sections 198, 349 and 350 of the Companies Act, 1956, be and is hereby approved."

"Resolved further that the payment of commission be made out of the profits of the Company from the financial year beginning April 1, 2003, for a period of three years."

"Resolved further that subject to the limits as aforesaid, the payment and distribution of the commission to each Director (other than the Managing and Whole-time Directors) be determined by the Board of Directors from time to time in such proportion and in such manner as the Board may determine and in the absence of such determination equally amongst such Directors."

(By Order of the Board)
For **Rane Brake Linings Limited**

Chennai
May 19, 2003

C Siva
Secretary

NOTES :

1. Any member entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company. The proxies should however be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members of the Company will remain closed from **Wednesday, July 16, 2003 to Friday, July 25, 2003** (both days inclusive).
3. Dividend that may be declared by the Company in the Annual General Meeting will be made payable on or after **July 31, 2003**, to those members whose names appear on the Register of Members on **July 15, 2003** or to their mandatees.
4. Pursuant to the provisions of Section 205A of the Companies Act 1956, dividend for the financial year ended March 31, 1996 and thereafter which remains unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Members who have not encashed the dividend warrants for the said period are requested to make their claim to the Company.

Information in respect of such unclaimed dividend when due to transfer to the said fund is given below :

Financial Year ended	Date of declaration of dividend	Last date for claiming unpaid dividend	Due date for transfer to IEPF
31.03.1996	24.09.1996	23.09.2003	24.10.2003
31.03.1997	11.09.1997	10.09.2004	11.10.2004
31.03.1998	12.08.1998	11.08.2005	11.09.2005
31.03.1999	29.07.1999	28.07.2006	28.08.2006
31.03.2000	30.03.2000*	29.03.2007	29.04.2007
31.03.2001	26.07.2001	25.07.2008	25.08.2008
31.03.2002	25.07.2002	24.07.2009	24.08.2009

*Interim dividend

5. Members holding shares in physical form are requested to notify immediately any change in their addresses to M/s. Integrated Enterprises (India) Limited, "Kences Towers", No. 1, Ramakrishna Street, T. Nagar, Chennai 600 017. Members holding shares in Dematerialised form may inform the change in address to their Depository Participants.

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6. Members who are holding shares in identical order of names in more than one account are requested to intimate to the Company, the ledger folio of such accounts together with the share certificate(s) to enable the Company to consolidate all the holdings into one account. The share certificate(s) will be returned to the members after necessary endorsements.
7. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
8. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business under Item No. 6, 7, 8 and 9 is annexed.

EXPLANATORY NOTE PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS

Item No. 6

The Board of Directors of your Company co-opted Mr V Ramachandran as Additional Director on July 25, 2002.

Mr V Ramachandran, is a Senior Advocate practising in High Court and Supreme Court. He is 70 years of age and has over 45 years of experience in his profession.

Other Directorships : Ponds Exports Limited

Committee Membership : Nil

The term of additional directors as per Section 260 of the Companies Act, 1956 is only upto the succeeding Annual General Meeting and therefore Mr V Ramachandran seeks appointment at this Annual General Meeting.

A notice in writing under Section 257 of the Companies Act, 1956, along with a deposit of Rs.500 has been received from a member signifying his intention to propose the candidature of Mr V Ramachandran for the office of Director of the Company.

None of the Directors is interested in the resolution.

Your Directors recommend the resolution for adoption.

Item No. 7

The Board of Directors of your Company co-opted Mr S A Murali Prasad as Additional Director on January 21, 2003.

Mr S A Murali Prasad is a Chartered Accountant and a Cost Accountant. He is also post-graduate in Commerce. Mr S A Murali Prasad heads a Consultancy firm which provides consultancy services in Project Feasibility Analysis, Project Financing, Corporate Financing etc.

He is 61 years of age and has over 36 years of experience in the industry.

Other Directorships :

1. Sakthi Finance Limited
2. Chettinad MB-F-Hi Silica Private Limited
3. Sam Consultancy Services Private Limited

Committee Memberships : Nil

The term of Additional Directors as per Section 260 of the Companies Act, 1956 is only upto the succeeding Annual General Meeting and therefore Mr S A Murali Prasad seeks appointment at this Annual General Meeting.

A notice in writing under Section 257 of the Companies Act, 1956, along with a deposit of Rs.500 has been received from a member signifying his intention to propose the candidature of Mr S A Murali Prasad for the office of Director of the Company.

None of the Directors is interested in the resolution.

Your Directors recommend the resolution for adoption.

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Item No. 8

Securities and Exchange Board of India has vide its Circular No. D&CC/FITTC/CIR-15/2002 dated December 27, 2002 directed all listed companies to appoint common agency for physical as well dematerialised share registry work. In order to comply with the said circular, the Company has appointed M/s. Integrated Enterprises (India) Limited, who already handle electronic share registry work, to also handle physical share registry work. Since the entire registry operations will have to be carried out by the Registrar and Transfer Agents, the register of Members and Index of Members will have to be kept and maintained by them at their premises. As per Section 163 of the Companies Act, 1956, this will require approval from the shareholders at the general meeting by way of special resolution.

None of the Directors is interested in the resolution.

Your Directors recommend the resolution for adoption.

Item No. 9

The non-whole time Directors are increasingly devoting more time in connection with the Board / Committee Meetings. These Directors now shoulder additional responsibilities under the Corporate Governance regulations applicable to the Company. The Committee on Corporate Governance constituted by the Securities and Exchange Board of India has recommended that the compensation payable to non-whole time Directors of companies should be adequate so as to encourage active participation in the deliberations at the meetings of the Board and Committees. In order to attract and retain talented and experienced professionals, it is proposed to compensate them, by way of commission in addition to the sitting fee from the financial year beginning April 1, 2003 for a period of three years. The quantum of commission payable to each director would be decided by the Board of Directors. The sitting fee as prescribed by the Government would be paid irrespective of profits. However, the aggregate of commission and sitting fee payable shall not exceed one percent of the net profits of the Company.

All the non-whole time Directors are interested in the resolution. Mr L Lakshman, Chairman & Managing Director, a relative of Mr L Ganesh is also deemed to be interested in the resolution.

Your Directors recommend the resolution for adoption.

(By Order of the Board)
For Rane Brake Linings Limited

Chennai
May 19, 2003

C Siva
Secretary



Rane Brake Linings Limited**INFORMATION ABOUT DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THIS ANNUAL GENERAL MEETING**

(in accordance with Clause 49 VI of the Listing Agreement)

Re-appointments :

Name of the Director	Mr L Ganesh	Dr R Natarajan
Father's Name	Mr L L Narayan	Mr K S Ramamurthy
Date of Birth	March 18, 1954	January 9, 1941
Educational Qualifications	<ol style="list-style-type: none"> Bachelor of Commerce Associate Member of Institute of Chartered Accountants of India (ACA) Master in Business Administration 	<ol style="list-style-type: none"> Bachelor of Engineering, University of Madras Master of Engineering, Indian Institute of Science M.A.Sc., University of Waterloo, Canada Doctor of Philosophy, University of Waterloo, Canada
Date of Appointment	September 26, 1986	October 18, 2000
Other Directorships	<ol style="list-style-type: none"> Kar Mobiles Limited - Chairman Rane Engine Valves Limited - Vice Chairman and Managing Director Rane (Madras) Limited - Vice Chairman Rane TRW Steering Systems Limited EIH Associated Hotels Limited TRW Rane Occupant Restraints Limited Rane Nastech Limited JMA Rane Marketing Limited Rane Auto Components (Madras) Limited Rane Investments Limited Techcons Limited 	I P Rings Limited
Committee Memberships	<ol style="list-style-type: none"> Rane Engine Valves Limited - Investors Grievance Committee Rane (Madras) Limited - Audit Committee and Investors Grievance Committee.* Rane Brake Linings Limited - Audit Committee and Investors Grievance Committee.* 	Audit Committee - Rane Brake Linings Limited

Rane Brake Linings Limited

	4. Rane Nastech Limited - Audit Committee 5. Rane TRW Steering Systems Limited - Audit Committee. 6. EIH Associated Hotels Limited - Audit Committee. 7. Kar Mobiles Limited - Investor Service Committee and Audit Committee	
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* Chairman of the Investors Grievance Committee.

Appointments.

Name of the Director	Mr V Ramachandran	Mr S A Murali Prasad
Father's Name	Mr Viswanath	Mr S A Venkatarama Iyer
Date of Birth	September 26, 1932	September 27, 1941
Educational Qualifications ●	1. B.A. B.L. 2. Senior Advocate 3. Practising in High Courts and Supreme Court	1. Master of Commerce 2. Associate Member of Institute of Chartered Accountants of India (ACA) 3. Associate Member of Institute of Cost and Works Accountants of India (AICWA)
Date of Appointment	July 25, 2002*	January 21, 2003*
Other Directorships	Ponds Exports Limited	1. Sakthi Finance Limited 2. Chettinad MB-F-Hi Silica Private Limited 3. Sam Consultancy Services Private Limited
Committee Memberships	Nil	Nil

* Appointed as additional directors.

Rane Brake Linings Limited

Regd. Office : 'Maithri', 132, Cathedral Road, Chennai 600 086

**38th Annual General Meeting at 10.00 a.m. on Friday, July 25, 2003 at
'Main Hall' Narada Gana Sabha, 254 TTK Road, Chennai 600 018**

ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall

Name of First named Shareholder	No. of Shares	Folio No.	If held in dematerialised form	
			D P ID No.	Client ID No.

I certify that I am a registered Shareholder of the Company.

I hereby record my presence at the above **Annual General Meeting** of the Company.

A member / proxy wishing to attend the meeting must complete this attendance slip and hand it over at the entrance of the meeting hall.

Name of Proxy (if any) in BLOCK LETTERS

Signature of Member / Proxy

Rane Brake Linings Limited

Regd. Office : 'Maithri', 132, Cathedral Road, Chennai 600 086

PROXY FORM

I / We of being a member / members of **RANE BRAKE LININGS LIMITED**, hereby appoint of or failing him of as my / our proxy to attend and vote for me / us on my / our behalf at the **38th Annual General Meeting** of the Company to be held at **10.00 a.m. on Friday, July 25, 2003** or at any adjournment thereof.

No. of Shares	Folio No.	If held in dematerialised form	
		D P ID No.	Client ID No.

Signature affixing 30 P. Revenue Stamp
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NOTE : Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The form duly completed should be deposited at the Registered Office of the Company at Chennai not less than 48 hours before the commencement of the meeting.

Rane Brake Linings Limited

Directors

L LAKSHMAN
(Chairman & Managing Director)
L GANESH
(Vice Chairman)
KUNIHITO TODA
(Nominee of Nisshinbo Industries Inc., Japan)
S A MURALI PRASAD
S NANDAGOPAL
Dr R NATARAJAN
V RAMACHANDRAN
D VIJAY MOHAN

Bankers

ICICI Bank Limited
HDFC Bank Limited
Standard Chartered Bank Limited
Indian Overseas Bank

Auditors

D RANGASWAMY & Co.
Chartered Accountants, Chennai

Registered Office

"MAITHRI", 132, Cathedral Road
Chennai 600 086
Phone : 28112472
Fax : 28112449
Email : c.siva@rane.co.in

Plant I

Plot No. 30
Industrial Estate
Ambattur
Chennai 600 058
Tamil Nadu

Plant II

Pregnapur Village
Gajwel Mandal
Siddipet Highway
Medak District 502 311
Andhra Pradesh

Plant III

RS No. 48, 49 & 50
Sanyasikuppam Village
Mannadipet Commune
Thirubhuvanai Post
Pondicherry 605 107

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