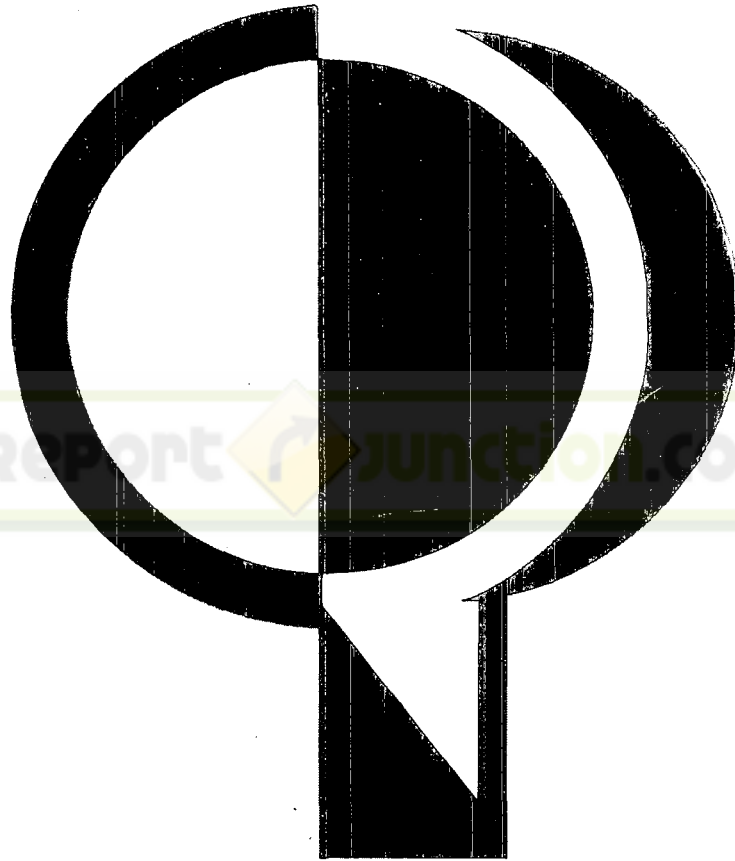


8

ANNUAL REPORT 2007 - 2008



RESINS & PLASTICS LTD.

SUMMARY RESULTS

(Rs. lacs)

DESCRIPTION	01.04.2007 to 31.03.2008	01.04.2006 to 31.03.2007	01.04.2005 to 31.03.2006	01.04.2004 to 31.03.2005	01.04.2003 to 31.03.2004
SUMMARISED BALANCE SHEET					
Net Fixed Asset	482.14	516.19	553.78	549.32	568.59
Investments	0.02	0.02	25.02	0.02	0.02
Net Current Assets (Working Capital)	1289.86	1142.65	1003.73	919.98	813.56
Miscellaneous Expenditure	0.00	0.00	0.00	0.00	2.19
	1772.02	1658.86	1582.53	1469.32	1384.36
Represented by :					
Deferred Tax Liability	108.09	112.11	113.97	126.78	130.52
Borrowings	244.02	284.99	315.83	286.75	274.20
Share Capital	361.79	361.79	361.79	361.79	361.79
Reserves	1058.12	899.97	790.94	694.00	617.85
	1772.02	1658.86	1582.53	1469.32	1384.36
SUMMARISED PROFIT AND LOSS ACCOUNT INCOME					
Sales (Excluding Central Excise)	5268.30	4660.21	3771.53	3324.77	2902.72
Processing Charges	32.47	53.26	56.33	55.67	55.97
Misc. Income	15.43	14.14	32.86	7.67	8.87
TOTAL INCOME	5316.20	4727.61	3860.72	3388.11	2967.56
EXPENDITURE					
Material Consumed	4127.78	3705.16	2975.72	2536.29	2198.21
Overheads	749.47	684.66	611.88	570.10	552.39
Depreciation	36.91	38.38	38.74	39.11	42.91
Interest	26.51	30.70	24.39	23.66	23.27
TOTAL EXPENDITURE	4940.66	4458.90	3650.73	3169.16	2816.78
Profit Before Tax	375.54	268.72	209.99	218.95	150.78
Operating Profit as % to sales revenue }	6.79	5.40	4.63	6.25	4.78
Taxes	133.99	99.13	69.70	82.25	59.15
Profit after Tax	241.55	169.59	140.29	136.70	91.63
Dividend incl. Dividend Tax	83.59	61.10	61.10	61.10	40.30
Dividend Percentages	20.00	15.00	15.00	15.00	10.00

ANNUAL REPORT 2007 - 2008

BOARD OF DIRECTORS

Shri Ashwin S Dani	-	Chairman
Shri P Ananthanarayanan	-	Managing Director
Shri Rupen A Choksi	-	Executive Director
Shri Mahendra C Choksi	-	Director
Shri Amar A Vakil	-	Director
Shri S. Sridhar	-	Director
Shri Bharat B Chovatia	-	Director
Shri Chatrabhuj D Kapadia	-	Director

AUDITORS

M/s. Shah & Company
Chartered Accountants
Mumbai

BANKERS

State Bank of India

REGISTRARS & TRANSFER AGENTS

M/s Sharepro Services (I) Pvt. Ltd.
Satam Industrial Estate
Above Bank of Baroda
Cardinal Gracious Road
Andheri (East)
Mumbai - 400 099
Ph : 67720300/67720321

REGISTERED OFFICE

Plot No.A-8, Marol Industrial Estate of M.I.D.C.,
Cross Road-B, Street No.5,
Andheri (East),
Mumbai 400 093.
Phone Nos. : 2820 7897

FACTORY

Taloja Industrial Estate of M.I.D.C.,
Post Box No.6,
Taloje A.V. 410208,
Dist. Raigad.
Phone Nos. : 2741 2229/2741 2380

Plot No. 3607
GIDC. Ind. Estate, Ankleshwar,
Dist. Bharuch 393 002.
Phone No. : 02646-223262

Report Junction.com

CONTENTS

Notice -----	2
Directors' Report -----	5
Auditors' Report -----	11
Balance Sheet-----	14
Profit And Loss Account -----	15
Cash Flow Statement -----	16
Schedules A to L forming Part of Accounts -----	17

RESINS & PLASTICS LTD.

NOTICE :

Notice is hereby given that the Forty Seventh Annual General Meeting of **RESINS AND PLASTICS LIMITED** will be held at M.C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, K Dubash Marg, Mumbai 400001 on Monday, the 8th September, 2008 at 11.00 a.m. to transact the following business -

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2008 and Profit and Loss Account for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Bharat B. Chovatia, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri C D Kapadia, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, and any other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, the Company hereby approves the re-appointment and remuneration of Shri P. Ananthanarayanan, as the Managing Director of the Company from 1st April, 2008 to 30th September, 2009, upon the terms and conditions as set out in the agreement(s) submitted to this meeting and initialled by the Chairman for the purpose of identification thereof, which agreement(s) is hereby specifically sanctioned with liberty to the Board of Directors to alter and / or vary the terms and conditions of the said appointment and / or agreement(s) in such manner as may be agreed between the Directors and Shri P. Ananthanarayanan."

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIM/HER. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT IT'S REGISTERED OFFICE NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 2nd September, 2008 to 8th September, 2008 (both days inclusive) for the purpose of payment of dividend.
3. The Company has appointed M/s Sharepro Services (I) Pvt. Ltd. as the Registrars and Transfer Agents for both physical as well as electronic transfers. The equity shares of the Company have been inducted in both National Securities Depositories Limited and Central Depositories Services (India) Limited to enable shareholders to hold and trade the securities in dematerialised / electronic form. (ISIN - INE422F01017)

4. Members are requested to notify changes, if any, in their address to M/s Sharepro Services (I) Pvt. Ltd., the Registrar and Transfer Agents of the Company.
5. Pursuant to the provisions of Section 205A of the Companies Act, 1956, the Company has transferred dividend for the financial year ended 2000, which remained unclaimed for a period of 7 years to the 'Investor Education and Protection Fund', established by the Central Government. Members who have not claimed dividends declared by the Company for the year ended 31st March, 2001 onwards are requested to write to the Company for obtaining duplicate warrants, before the balance in the respective account gets transferred to the said Fund.
6. The relevant explanatory statement pursuant to Section 173 of the Companies Act, 1956, is annexed hereto.

Information pursuant to Clause 49VI A of the Corporate Governance Code with respect to the Directors seeking re-appointment :

Shri Bharat B. Chovatia

Shri Bharat B. Chovatia holds a Bachelor's Degree in Commerce and Law from the Bombay University and is a practicing Chartered Accountant. He is having rich and varied experience of more than 23 years in Audit, Direct Tax and Business Consultancy Profession. He holds the directorship in the following Company :

Pragati Chemicals Limited

Shri C. D. Kapadia

Shri C.D. Kapadia has done intermediate in science. He has associated with our Company for the last 19 years and has approx. 53 years of business experience. He does not hold directorship in any other Company.

By Order of the Board
For RESINS AND PLASTICS LIMITED

Registered Office :

Plot No.A-8, Marol Ind. Est. of MIDC,
Cross Road B, Street No.5,
Andheri (East), Mumbai 400 093.
Mumbai : 30th June, 2008.

(ASHWIN S DANI)
CHAIRMAN

ANNUAL REPORT 2007 - 2008

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 6

At the meeting of the Board of Directors of the Company held on 30th January, 2008, the Directors re-appointed Shri P. Ananthanarayanan as the Managing Director of the Company for a period of one year with effect from 1st April, 2008 and at the meeting of the Board of Directors held on 30th June, 2008, the tenure was further extended upto 30th September, 2009, subject to the approval of members in the General Meeting upon the remuneration including perquisites set out in the agreement(s) submitted to this meeting.

Shri P. Ananthanarayanan holds a First Class Bachelor's Degree in Chemical Engineering and First Class Degree in Masters of Technology (Chemical) from IIT, Madras. Previous to his employment with the Company, he has worked with reputed companies like Asian Paints Ltd, ACC, Pentasia Chemicals Ltd., etc. to name a few.

Shri P. Ananthanarayanan is having around 41 years of experience and knowledge in fields of Chemicals, which is in line with the Company's business. In view of his vast experience and expertise in the chemical industry, the reappointment of Shri P. Ananthanarayanan as Managing Director would be in the best interest of your Company.

The remuneration of Shri P. Ananthanarayanan which is as per the provisions of Schedule XIII of the Companies Act, 1956, has been approved by the Remuneration Committee. The material provisions of the same are as under :-

1. a. SALARY :

Salary of Rs.2,20,000/- (Rupees Two Lakhs Twenty Thousand Only) per month including all allowances with effect from 1st April, 2008 with such annual increment in the salary effective 1st April as the Board of Directors may decide, subject to a ceiling of Rs.3,00,000/- (Rupees Three Lacs Only) per annum.

b. PERQUISITES :

In addition to the above remuneration, the Managing Director shall also be entitled to perquisites which are divided into categories A, B & C, given herein below :

Category 'A' :

i) Housing :

The Company shall provide Unfurnished accommodation to the Managing Director. In case no accommodation is provided by the Company, he will be entitled to House Rent Allowance of Rs.30,000/- per month.

ii) Medical Reimbursement / Assistance :

Reimbursement of expenses incurred for self and family subject to a ceiling of Rs.40,000/- in a year.

Special Medical Assistance upto Rs.5,00,000/-, over a period of one year, for treatment of the Managing Director, in any Hospital maintained by the Central Government or any Local Authority or any Hospital approved by the Government or for treatment of any of the diseases or ailments prescribed under Section 17(2)(ii)(b) of Income Tax Act, 1961, in any hospital approved by the Chief Commissioner of Income Tax.

iii) Leave Travel Concession :

For self and family once in a year subject to a ceiling of Rs.75,000/- per annum.

For the purpose of category 'A', 'family' means his spouse, dependent children and dependent parents.

Category 'B' :

Provident Fund :

The Company will contribute to the Provident Fund as per the scheme framed by the Company. The same will not be included in the computation of ceiling on perquisites to the extent of exemption under the Income Tax Act.

Gratuity :

Gratuity payable shall not exceed half a month's salary for each completed year of service.

Category 'C' :

a. Conveyance :

The Company will provide a chauffeur driven car for official use and will be entitled to reimbursement of petrol expenses, as per the Company's Rules. The Company will provide reimbursement of driver's salary not exceeding Rs.7,500/- (Rupees Seven Thousand Five Hundred Only) per month.

b. Telephone :

The Company will provide reimbursement of telephone bill at actuals excluding, however, personal STD calls.

c. Air Conditioner :

The Company will provide one air conditioner at the accommodation, the cost of maintenance including annual maintenance contract and repairs will be borne by the Company, at actuals.

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of the Managing Director the salary and perquisites of Managing Director shall not exceed the limits specified in Section II of Schedule XIII to the Companies Act, 1956.

The above remuneration and perquisites shall be subject to such limits as are laid down in Schedule XIII to the Companies Act, 1956 and / or changes / variation/substitution made / that may be made therein from time to time.

The scope and quantum of remuneration and perquisites specified hereinabove may be enhanced, enlarged, widened, altered or varied by the Board of Directors in the light of and in conformity with any amendments to the relevant provisions of the Companies Act and/or re-enactment thereto or thereof or the Rules and regulations made thereunder and / or such guidelines as may be announced by the Central Government from time to time.

d. The Company shall pay to or reimburse to the Managing Director and the Managing Director shall be entitled to reimbursement by the Company of all costs, charges and expenses that may have been or may be incurred by him in connection with or relating to the business of the Company.

e. The Managing Director shall be entitled to all leave benefits as are applicable under the Company's rules to the executives and in force from time to time.

2. During his tenure as Managing Director Shri P. Ananthanarayanan shall not be entitled to sitting fees for attending the meetings of the Board or any Committee of the Board but shall be entitled to reimbursement of all reasonable expenses incurred by him for and on behalf of the Company for attending the said meetings.

RESINS & PLASTICS LTD.

3. Either party shall be entitled to determine these agreement(s) by giving not less than 3 (three) months notice in writing in that behalf to the other party and on termination of these agreement(s). Shri P.Ananthanarayanan shall cease to be the Managing Director of the Company and the liability of the Company shall be limited to provide Shri P.Ananthanarayanan only the salary and perquisites as per the agreement(s) for a period of three months from the date of notice.
4. If at any time, the Managing Director ceases to be in the employment of the Company for any cause whatsoever, he shall also cease to be a Director of the Company.
5. In the event of any loss or inadequacy of profits in any financial year during the currency of tenure of the Managing Director, the salary and perquisites of the Managing Director shall not exceed the limits specified in Part II of Section II of Schedule XIII of the Companies Act, 1956.

The terms and conditions of Shri P.Ananthanarayanan's appointment as set out above may also be treated as an abstract of the terms of the draft agreement(s) between Shri P.Ananthanarayanan and the Company under Section 302 of the Companies Act, 1956.

The aforesaid agreement(s) between the Company and Shri P.Ananthanarayanan is available for inspection by the members at the Registered Office of the Company between 3.00 p.m. to 5.00 p.m. on any working day of the Company.

In compliance with the provisions of Sections 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956, the terms of remuneration specified above are now being placed before the Members in Annual General Meeting for their approval and no other approval from any authority is required in this behalf.

Your directors recommend the resolution at Item No.6 for your approval.

As per Schedule XIII of the Companies Act, 1956, statement containing details to the shareholders along with the Notice of the General Meeting is given below and forms part of Explanatory Statement.

**By Order of the Board
For RESINS AND PLASTICS LIMITED**

Registered Office :

Plot No.A-8,Marol Ind. Est. of MIDC,
Cross Road B, Street No.5,
Andheri (East), Mumbai 400 093.
Mumbai : 30th June, 2008.

**(ASHWIN S DANI)
CHAIRMAN**

Statement required to be given under Part II, Section II(B)(IV) of the Schedule XIII of the Companies Act, 1956.

I. General Information:

- (1) **Nature of Industry :** The Company is manufacturing a wide range of synthetic resins such as epoxy resins, foundry resins, ketonic resins, phenolic resins, etc. some of which are import substitutes. The products of the Company find varied applications in diversified industries such as paints, printing inks, cosmetics, foundries, laminates, adhesives, etc.
- (2) **Date or expected date of commencement of commercial production:** The Company commenced operations in the year 1971.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
- (4) **Financial performance based on given indicators:** The financial performance of the Company is mentioned in the Director's Report.

(5) **Export performance and net foreign exchange collaborations:** The Company mainly caters to the domestic market only and has developed indigenous technology and therefore has no foreign collaborations in this regard.

(6) **Foreign investments or collaborations, if any:** Nil

II. Information about the appointee:

(1) Background details:

Shri P.Ananthanarayanan has a brilliant academic record, having secured a First Class Bachelor's Degree in Chemical Engineering from Annamalai University and First Class Degree in Masters of Technology from IIT, Madras. Previous to his employment with the Company, he was working as Vice President (Engineering Services) with Asian Paints Ltd, and also had brief stints with reputed companies like ACC, Pentasia Chemicals, to name a few. Shri P.Ananthanarayanan is having more than 41 years experience and knowledge in the field of Chemicals, which is in line with the Company's business.

(2) Past remuneration:

Rs.28.63 lacs for the F.Y. 2007-08

Rs.24.59 lacs for the F.Y. 2006-07

Rs.24.13 lacs for the F.Y. 2005-06

(3) **Recognition or awards :** Not applicable

(4) Job profile and his suitability:

Shri P.Ananthanarayanan has considerable knowledge and experience in the Chemical Industry which are compatible with the Organisational requirements and the Company would definitely benefit under his leadership and valuable guidance.

(5) **Remuneration proposed:** The proposed remuneration of the appointee as mentioned in the Explanatory Statement is within the limits specified in Schedule XIII of the Companies Act, 1956.

(6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** The proposed remuneration of the Managing Director is commensurate with the position he occupies, size of our Company and as per industry standards.

(7) **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Nil

III. Other information:

(1) Reasons of loss or inadequate profits:

Intense competition in the Resin Industry coupled with increasing raw material costs has had a beating on the Profits of the Company.

(2) Steps taken or proposed to be taken for improvement:

The Company has initiated several product & process quality initiatives and cost controlling exercise for improvement of Company's performance.

(3) Expected increase in productivity and profits in measurable terms:

The Company expects marginal growth in productivity and profits due to subdued economic conditions.

**By Order of the Board
For RESINS AND PLASTICS LIMITED**

Registered Office :

Plot No.A-8,Marol Ind. Est. of MIDC,
Cross Road B, Street No.5,
Andheri (East), Mumbai 400 093.
Mumbai : 30th June, 2008.

**(ASHWIN S DANI)
CHAIRMAN**

ANNUAL REPORT 2007 - 2008

DIRECTORS' REPORT

To The Members

The Directors have pleasure in presenting the 47th Annual Report of the Company and audited Statement of Accounts for the year ended 31st March, 2008 -

1. PERFORMANCE OF THE COMPANY :

FINANCIAL RESULTS :

	Year Ended 31.03.2008 (Rs. in lacs)	Year Ended 31.03.2007 (Rs. in lacs)
Sales Turnover	5300.77	4713.47
Other Income	15.43	14.14
Profit before Depreciation and Tax	412.45	307.10
Less : Depreciation		
Provision for Taxation	36.91	
	133.99	170.90
		137.51
PROFIT AFTER TAX	242.55	169.59
Add/(Less) : Balance brought forward from Previous Year	459.27	367.24
Prior period items	0.18	0.54
DISPOSABLE PROFIT	701.00	537.37
The Directors recommend the appropriation of the disposable profits as under :		
Interim Dividend	—	53.58
Tax on Interim Dividend	—	7.52
Proposed Final Dividend	71.44	—
Tax on Proposed Final Dividend	12.14	—
Transfer to General Reserve	25.00	17.00
Balance carried to Balance Sheet	592.42	459.27
	701.00	537.37

2. DIVIDEND :

Your Directors are pleased to recommend a dividend @ 20% (Rs. 2.00 per share) on 35,72,300 equity shares of Rs.10/- each. The dividend, if approved by the shareholders at the Annual General Meeting will be paid to those shareholders whose names appear on the Register of Members as on 8th September, 2008.

3. OPERATIONS :

The total income for the year has grown from Rs. 4727.61 lacs in the previous year to Rs.5316.20 lacs.

4. FIXED DEPOSITS :

Fixed Deposits from the Public and Shareholders stood at Rs.19.61 lacs whereas unclaimed Deposits were Nil; as at the end of the year.

5. DIRECTORS :

Shri Bharat B. Chovatia and Shri C. D. Kapadia, Directors retire by rotation and being eligible offer themselves for re-appointment. Your directors have pleasure in recommending the above appointments.

6. DIRECTORS' RESPONSIBILITY STATEMENT :

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 :

- That in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures, if any;
- That the Directors have 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 year and of the profit or loss of the Company for the year under review;
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the Annual Accounts for the year ended 31st March, 2008 have been prepared on a going concern basis.

RESINS & PLASTICS LTD.

7. CORPORATE GOVERNANCE :

A Report on Corporate Governance alongwith a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance pursuant to Clause 49 of the Listing Agreement are given in Annexure I to this Report.

8. MANAGEMENT DISCUSSION AND ANALYSIS :

The Company caters various kinds of synthetic resins manufactured by it mainly to the industrial segment and hence the growth for the Company depends entirely on the growth of the industrial segment as also its ability to be competitive in the environment.

The higher price of the crude oil in the global market during the year 2007-08 compared to the prices prevailing in the earlier years has led to higher input costs and has impacted the margins. The Company, has therefore, initiated steps to overcome higher input cost by focussing on controlling other operating cost and improving the existing products. Projects have also been undertaken to launch new and value added products.

The Board considers the performance of the Company as reasonable in view of the difficult market conditions and is optimistic about its prospects in the coming years.

The Company has good internal control systems, the adequacy of which has been reported by the Auditors in their Report. The financial performance for 2007-08 shows that the margins are under pressure. Industrial relations during the year was cordial. The number of employees stood at 107 as on 31st March, 2008.

9. PERSONNEL :

There were no employees who are in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956.

10. TECHNOLOGY UPGRADATION :

The progress on technology upgradation is separately reported in the prescribed format in Annexure No.II to this report.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Particulars in respect of conservation of energy and technology absorption by the Company are given in Form A and B respectively in Annexure No. II to this Report. The details of expenditure and earnings in foreign currencies are given in Notes 7(b) and 8 respectively of the Schedule L to the Accounts.

12. AUDITORS :

The Company's Auditors, M/s.Shah And Company, Chartered Accountants, retire at the ensuing Annual General Meeting and express their willingness to continue, if so appointed.

13. ACKNOWLEDGEMENT :

Your Directors wish to place on record their appreciation for the devoted services and the contribution made by the Company's employees at all levels for the continued growth and prosperity of the Company.

The Board of Directors also wish to place on record its appreciation for the continued co-operation and assistance received by the Company from its Bankers, State Bank of India during the year under review.

For and on behalf of the Board

(ASHWIN S DANI)
CHAIRMAN

Mumbai : 30th June, 2008

ANNEXURE I

CORPORATE GOVERNANCE DISCLOSURES

The Company has been complying with the requirements of the said Clause to the extent and in the manner stated hereunder;

1. BOARD OF DIRECTORS :

The Board of the Company comprises of 6 Non Executive Directors and 2 Executive Directors, out of which 3 are independent. Accordingly, the composition of the Board is in conformity with the requirements of the Listing agreement. During the financial year 2007-2008, the Board met 4 times on 21st June, 2007, 25th July, 2007, 30th October, 2007 and 30th January, 2008.

The Constitution of the Board and other relevant details relating to Directors are given below :

Name of Director	Position	Attendance at		Director-ships in other Companies *	Membership in Board Committees of other Companies
		Board Meetings	Last AGM		
Ashwin S. Dani	Non-Executive Chairman/Promoter	4	Yes	6	2 (2)
M. C. Choksi	Non-Executive/Promoter	4	Yes	4	1 (-)
Amar A. Vakil	Non-Executive/Promoter	4	No	4	-
P Ananthanarayanan	Managing Director	4	Yes	-	-
Rupen A. Choksi	Executive Director	3	Yes	3	-
C. D. Kapadia	Non-Executive/Independent	4	Yes	-	-
S. Sridhar	Non-Executive/Independent	2	No	3	3 (-)
Bharat B Chovatia	Non-Executive/Independent	4	No	1	-

* Other Directorship do not include Alternate Directorship, Directorship of Private Limited Companies.

() Figures in bracket indicates Chairmanship of Committee.

ANNUAL REPORT 2007 - 2008

Information supplied to the Board :

Agenda papers are circulated to the Members of the Board well in advance of the Board Meeting containing all the important and adequate information for facilitating deliberation at the meeting. Where it is not practicable to attach or send relevant documents along with Agenda, the same are tabled at the meeting. Following information interlaid is supplied to the Board as part of the Agenda Papers :

- Annual budgets, operating plans and budgets, capital budgets
- Minutes of meetings of the audit committee and other committee(s) of the Board
- Investment of funds of the Company
- Approval of related party transactions
- Status of legal, tax issues i.e. demand, show cause notices
- Compliance with listing and other legal requirements relating to financial statements

2. AUDIT COMMITTEE :

The Company has constituted an Audit Committee in the year 2003, consisting of the following directors :

Name	Designation	Category
Shri Bharat Chovatia	Chairman	Non-Executive, Independent
Shri Mahendra C Choksi	Member	Non-Executive
Shri Chatrabhuj Kapadia	Member	Non-Executive, Independent
Shri S Sridhar	Member	Non-Executive, Independent

5 Audit Committee meetings were held during the year 2007-2008 on 21st June, 2007, 25th July, 2007, 26th September, 2007, 30th October, 2007 and 30th January, 2008.

The meeting are also attended by Managing Director, representative of Statutory Auditor and the Finance Manager. The terms of reference of the Audit Committee include the following :

- Overseeing the Company's financial reporting process and the disclosure of its financial information.
- Reviewing with management the quarterly, half-yearly and annual financial statements before submission to the Board, with primary focus on accounting policies and practices, compliance with accounting standards and with stock exchange and legal requirements concerning financial statements for final approval.
- Reviewing with the management performance of statutory and internal audit.
- Reviewing the adequacy of internal control systems and internal audit function, ensuring compliance of internal control systems and reviewing the company's financial and risk management policies.
- Discussing with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Discussion on significant findings on internal audit and follow up thereon.
- Reviewing the Company's financial and risk management policies.
- Reviewing of the Cost Accounting records of the Company's products.

3. REMUNERATION COMMITTEE :

- a) The Remuneration Committee consists of 4 directors namely Shri C D Kapadia, Chairman, Shri A S Dani, Shri S Sridhar and Shri B Chovatia, members.
- b) The remuneration paid to Managing Director is within the ceiling as per the agreement entered with the Company and approved by the shareholders. Details of remuneration paid to directors during the financial year 2007-2008 are given below :

Directors	Remuneration paid/payable during 2007-2008 (Rs.)		
	Sitting fees #	Salary	Perquisites *
Shri A S Dani	28000	-	-
Shri M C Choksi	40000	-	-
Shri A Vakil	20000	-	-
Shri B Chovatia	48000	-	-
Shri S Sridhar	30000	-	-
Shri C D Kapadia	48000	-	-
Shri P Ananthanarayanan	-	2160000	702883
Shri Rupen A. Choksi	-	476000	77738
TOTAL	214000	2636000	780621

* Perquisites include Company's contribution to provident fund, medical, leave travel allowance, free accommodation and gratuity etc. as well as monetary value of perquisites as per Income Tax Rules.

includes sitting fees paid for Committee Meetings.