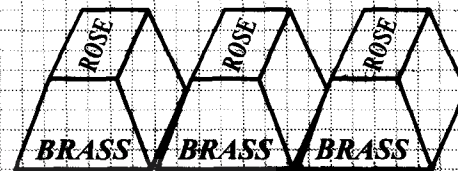
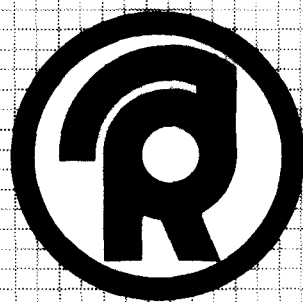


# ROSE ZINC LIMITED



## THIRTEENTH ANNUAL REPORT (2002-2003)

**BOARD OF DIRECTORS**

Shri Pawan N. Mehta, Managing Director  
 Shri Nagraj Mehta, Executive Director  
 Shri Ashok N. Mehta, Director  
 Shri V. C. Puri, Director  
 Shri K. S. Khamesara, Director

**BANKERS**

State Bank of Bikaner & Jaipur,  
 Shastri Circle,  
 Udaipur.

**COMPANY SECRETARY**

M.C. Bhalawat

**AUDITORS**

M/s Ajay Kumar Vijayvergia & Associates,  
 Chartered Accountants,  
 D-172, Jagraj Marg, Bapu Nagar,  
 Jaipur - 302 015.

**REGISTERED OFFICE**

505-508, S. M. Lodha Complex,  
 Opp. Shastri Circle Post Office,  
 Udaipur - 313 001.

**WORKS**

Tulsi Das Ji Ki Sarai,  
 Airport Road, Post Gudli,  
 Udaipur (Raj.)

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**NOTICE**

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of ROSE ZINC LIMITED will be held at 505-508 S.M. Lodha Complex, Opp. Shastri Circle Post Office, Udaipur on Tuesday, the 30th Day of September, 2003 at 11.30 A.M. to transact the following business:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited statement of accounts of the Company for the year ended 31st March, 2003 together with reports of the Directors and Auditors thereon.
2. To appoint Director in place of Shri V.C. Puri who retires by rotation and is eligible for re-appointment.
3. To appoint Director in place of Shri K.S. Khamesara who retires by rotation and is eligible for re-appointment.
4. To appoint auditors to hold office from the conclusion of this Annual General Meeting until conclusion of next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS**

5. To Consider and if thought fit, to pass with or without modification, the following resolution as an Special Resolution:

"RESOLVED THAT subject to the provisions of Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter) and Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and subject to such approvals, permissions as may be necessary and subject to the compliance with other statutory formalities and subject to such conditions and modifications as may be prescribed or imposed by any authority including the stock exchanges, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company ('the Board' which terms shall be deemed to include any committee thereof.), consent of the Company be and is hereby accorded to get delisting the equity shares of the Company from Jaipur Stock Exchange Ltd., Jaipur.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the aforesaid voluntary delisting of equity shares, as it may in its absolute discretion deem fit without being required to seek any further approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval expressly by the authority of this resolution.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take all necessary steps in this regard to comply with all the statutory and procedural formalities and further to authorise any of its committee or any of its Directors or any of the Officers of the Company to do all such acts, deeds or things to give effect to the aforesaid resolution."

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 section 31 and other applicable provisions, if any, of the Companies Act, 1956, and other provisions of the statutes as applicable, and subject to such approval, consents, permissions and sanctions as may be necessary form the appropriate authorities or bodies, the Articles of Association of the Company be and are hereby amended or altered or new articles be incorporated in the manner and to the extent as set out hereinbelow: -

- (i) That the following words or expressions with their interpretation & marginal notes be added at the end of Article 2:-

**Beneficial Owner** "Beneficial Owner" shall means beneficial owner as defined in clause (a) of sub section (1) of Section 2 of the Depositories Act, 1996.

**Depositories Act, 1996** "Depositories Act, 1996" shall include any statutory modification or re-enactment.

**Depository** "Depository" shall mean a Depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996.

**Member** "Member" means the duly registered holder from time to time of the shares in the company and includes the subscribers to the memorandum of the company and the beneficial owner(s) as defined in the Depositories Act, 1996.

**SEBI** "SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

**Security** "Security" means such security as may be specified by SEBI from time to time.

**The Register** "The Register" means the Register of Members to be kept as required by Section 150 of the Act and where shares are held in dematerialised form "The Register" includes the Register of Beneficial Owners maintained by the Depository.

- (ii) To insert the following words at the end of articles 39.  
"Provided that no share certificate(s) shall be issued for shares held with a Depository."

- (iii) The following new Article and Marginal Note shall be added after Article 47 of the Articles of Association and shall be numbered as Article 47A to 47M.

**47 A Register of Transfers**

"The Company shall maintain a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of every share held in a material form."

**DEMATERIALISATION OF SHARES**

**47 B Applicability of Depositories Act, 1996**

Notwithstanding anything provided herein-above, in the case of transfer of Shares, where the Company has not issued any certificates and where such Shares, are being held in an electronic or fungible form, the provisions of the Depositories Act shall apply and accordingly the Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Shares, on behalf of the beneficial owner. Furthermore, nothing contained in the section 108 of the Act or in these Articles shall apply to a transfer of shares effected by a transferor and transferee, both of whom are entered as Beneficial Owners in the records of the Depository.

**47 C Allotment of securities dealt with in a depository.**

Notwithstanding any thing in the Act or these Articles, where a depository deals with securities, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

**47 D Dematerialisation/ Rematerialisation of Shares.**

Notwithstanding anything contained in these Articles, the Company shall be, in accordance with the provisions of the Depositories Act, 1996 entitled to dematerialise any or all its Shares or rematerialise any or all its Shares held with a Depository and/or offer its Shares for subscription in dematerialised form pursuant to the Depositories Act, 1996.

**47 E Distinctive numbers of shares held with a depository**

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for shares issued by the Company shall apply to shares held with a Depository.

**47 F Non applicability of certain provisions of the Companies Act, 1956.**

In respect of Shares, held by the Depository on behalf of a beneficial owner, the provisions of the

Sections 153, 153A, 153B, 187C and 372A of the Companies Act, 1956 shall not apply.

**47 G Options for investors**

Every person subscribing to securities offered by the company shall have the option to receive the securities/ certificate in physical form or to hold the same in electronic form with Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law in respect of any securities in the manner provided by the Depository Act, 1996 and company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities.

If a person opt to hold his securities with a Depository, the company shall intimate such depository, the details of such securities/allotment and or on receipt of the information the Depository shall enter in its record the name of such beneficial owner.

**47 H Rights of Depositories and beneficial owners.**

- i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- ii) Save as otherwise provided in (i) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

**47 I Register and Index of Members**

The Company shall be required to maintain a Register and Index of Members in accordance with section 150 and 151 of the Companies Act, 1956 and the Depositories Act, 1996, with details of shares held in material and dematerialised form, in any media (including electronic media) as may be permitted by law. The Register and Index of Beneficial Owners maintained by a Depository under section 11 of the Depositories Act, 1996 shall be deemed to be the Register and Index of Members holding shares in a dematerialised form for the purposes of the Act.

**47 J Securities in depositories to be in fungible form.**

All securities held by a depository shall be dematerialised and be in fungible form.



**47 K Service of documents.**

Notwithstanding any thing in the Act, or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or discs.

**47 L Transfer of securities.**

Nothing contained in Section 108 of the Companies Act, 1956 or these Articles shall apply to a transfer of securities effected by a transferor & transferee both of whom are entered as beneficial owner in the records of depository.

**47 M Nomination of Shares.**

- i) Every holder/joint holder of shares in Company may at any time, nominate, in accordance with the provisions of and in the manner provided by Section 109A of the Companies Act, 1956 and any amendments thereof from time to time, a person to whom all the rights in the shares of the Company shall vest in the event of death of the holder/joint holder.
- ii) Subject to the provisions of Section 109A of the Companies Act, 1956 any person who becomes a nominee by virtue of the provisions of the Act, upon production of such evidence as may be required by the Board or any Committee thereof, elect either to be registered himself as holder of the shares as the case may be as the deceased shareholder as the case may be, could have made in accordance with the provisions of and in the manner prescribed by Section 109B of the Companies Act, 1956 and any amendments thereto from time to time.
- iii) Provided that the Board may, at any time give notice requiring any such person to elect either to be registered himself or transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.
- iv) A person, being a nominee, becoming entitled to a share by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not, before being registered as a member in respect of his share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

By the order of the Board of Directors,  
For Rose Zinc Limited

Place: Udaipur  
Date : August 14<sup>th</sup> 2003.

(Pawan N. Mehta)  
Managing Director

**NOTES**

1. A 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 of the Company.
2. The proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 29th Day of Sept., 2003 to 30th Sept., 2003, (both days inclusive)
4. Members are requested to intimate the change, if any, in their registered address immediately.

**Explanatory Statement, Pursuant to Section 173(2) of the Company's Act, 1956 - Item No.5**

As the members are aware that at present company's Equity shares are listed with the Jaipur Stock Exchange Ltd., Jaipur in addition to at the The Mumbai Stock Exchange Mumbai (BSE). As provided by SEBI Guidelines for voluntary delisting of shares, our company intend to seek voluntary delisting of its Equity Shares with Jaipur Stock Exchange Ltd, Jaipur on account of following reasons:-

- 1) There is no trading or rarely any trading of the Equity Shares of the Company at the said Stock Exchange from last 2-3 years.
- 2) The Board have considered that listing of Equity shares with said Stock Exchange is not serving any useful purpose of the company.
- 3) As the Equity Shares of the Company will continue to be listed at BSE (The Stock Exchange Mumbai) at Mumbai, which has got nation-wide coverage will serve all the investors of the company.

In view of the above, the Board have recommended for voluntary delisting of its Equity shares from Jaipur Stock Exchange Ltd., which will also reduce paper work as well as payment of Annual Listing fee.

All material documents, copy of the listing agreements are open for inspection to the members till the conclusion of the meeting at the Regd. Office of the company.

None of the Directors is concerned or interested in any way, in the above Resolution.

The Directors of the company recommend the resolution for approval by the members.

**Explanatory Statement, Pursuant to Section 173(2) of the Company's Act, 1956 - Item No.6**

In order to bring your company's Article of Association in line with the Depositories Act, 1996, and the amendments made to the Companies Act, 1956 upon introduction of the Depository system, certain changes are required to be made in the Articles of Association of the Company as specified in item No.6 of this notice for holding the securities in Dematerialised/Electronic form.

None of the Directors of the company are interested in or connected with the said Resolution.

The Directors of the company recommend the resolution for approval by the members.

**DIRECTORS' REPORT**

The Share Holders,  
The Directors of your Company have pleasure in presenting the Thirteenth Annual Report for the year ended 31st March, 2003 together with the audited statement of account and auditor's report thereto.

**FINANCIAL PERFORMANCE**

|   | <b>Year Ended on<br/>31.03.2003<br/>(Rs. in Lacs)</b> | <b>Year Ended on<br/>31.03.2002<br/>(Rs. in Lacs)</b> |
|---|---|---|
| Turnover  | <b>2718.82</b>  | 3,103.13  |
| Other Income  | <b>269.27</b>   | 20.13   |
| Profit Before Dep., Preliminary<br>Exp. W/off & Financial Charges | <b>254.62</b>   | 247.51  |
| Financial Charges.  | <b>169.92</b>   | 119.84  |
| Profit before Dep. & Preliminary Exp.                             | <b>84.70</b>  | 127.67  |
| Depreciation  | <b>52.89</b>  | 56.10   |
| Preliminary Exp. W/off  | <b>5.60</b>   | 5.60  |
| Profit Before Tax   | <b>31.55</b>  | 65.97   |
| Income Tax  | <b>2.28</b>   | 5.05  |
| Deferred Tax  | <b>13.98</b>  | 23.63   |
| Profit after Tax  | <b>15.29</b>  | 37.29   |

**PERFORMANCE REVIEW**

Your company achieved a record production of zinc sulphate during the current financial year with a capacity utilisation of 111.43%, but due to continued drought situation prevailing all around the country, company was not able to extend benefit of this to the farmers. Your company uses variety of imported raw materials and recent war in the middle east (Gulf War - II) had an adverse impact on the import of materials resulting into lower production of metal. Apart from this, due to continued recession in the international metal market, the prices of metal also not picked up. Despite of high level of performance, the company's overall financial result was adversely affected due to increase in chemical prices and softening of the product prices. This has resulted in decrease in sales as well as profit of the company. There has been drop in the Sales Revenue by 12.38% as compared to previous year. The turnover of the company stood at Rs.2718.82 lacs as against Rs.3103.13 lacs during the previous year.

The outlook for the current financial year is positive with domestic indicators beginning to show improvement. Your company has the depth of management and the confidence to meet the challenge. Efforts are being made for further enhancement of capacity of zinc sulphate and new market development. With the timely onset of the monsoon, consumption of your company's product is good forecasted, which will have a favourable impact on company's results.

In view of insufficient profit during the year under report, your Directors express their inability to recommend any dividend on equity shares.

**DIRECTORS**

Shri V.C. Puri shall retire by rotation and being eligible offer himself for reappointment.

Shri Keshar Singh Khamesra, shall also retires by rotation and being eligible offer himself for reappointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm:

- that in preparation of annual accounts, the applicable accounting standards have been followed by your company along with 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 that period.
- that the Directors have 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 Directors has prepared the annual accounts on a going concern basis.

**AUDITORS**

M/S. Ajay Kumar Vijayvergia & Associates, Chartered Accountants, Jaipur, the Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

**AUDITORS' REPORT**

The notes on the accounts referred to in the Auditor's Report are self explanatory and therefore do not call for any further comments.

**ENVIRONMENT**

Your company is using expertise of external agencies for pollution controls. Their recommendations are being implemented regularly. Your company enjoys good amount of reputation among the local populace on account of various pollution control measures taken by the company and all are operating effectively. Your company continues to accord high priority to safety, health, and environment.

**MAINTENANCE OF COST RECORDS**

Company is maintaining cost accounting records as required under section 209(1)(D).

**LISTING**

Presently company's shares are listed on The Mumbai Stock Exchange Mumbai, Jaipur Stock Exchange Ltd., Jaipur. Company has vide its Extra Ordinary General Meeting held on 14<sup>th</sup> April, 2003 decided to get its Equity shares voluntary delisted from the The Stock Exchange, Ahmedabad.

Company also intend to get its shares de-listed from Regional Stock Exchange (Jaipur Stock Exchange Ltd.) at Jaipur and necessary resolution has been recommended for approval in this Annual General Meeting of shares holders of the company.

## CORPORATE GOVERNANCE

Your company has complied with all mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchanges with which the company is listed.

Auditors certificate on compliance of condition of corporate governance and separate note on governance is enclosed in annexure 'A'. Attention of the member is drawn to the Governance Section and item No. 5 of the Notice of the Annual General Meeting on the proposed voluntary delisting of the company's equity shares from the Jaipur Stock Exchange and justification thereof.

## HUMAN RESOURCES

Your company strongly believes that the bedrock of success for your company is capability and competence of the human resource and efforts continue to be made regularly to develop the people for improving performances and values. We believe that this will be of great value to your company.

The Board of Directors wishes to place on record their sincere appreciation to all the employees of the company for their dedication, commitment and loyalty to the company. Throughout the year, cordial relations prevailed between the management and employees.

## PARTICULARS OF EMPLOYEES

There were no employees whose remuneration were in excess of the limits prescribed under section 217 (2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## PUBLIC DEPOSIT

The Company has not accepted any deposit from the public within the meaning of Section 58 A of the Companies Act 1956.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The utmost priority has been given for the conservation of energy in the plant and appropriate actions are being taken for the conservation of energy and effective absorption of technology.

The technology adopted by the company for extracting metals is environment friendly and cost effective.

## FOREIGN EXCHANGE EARNING & OUT GO

- a. Earnings NIL  
b. Out go Rs. 1685.94 Lacs

## ACKNOWLEDGMENT

The management is grateful to Central and Various State Government and department/agencies of Government, financial institution(s) and bank(s). In the end, the directors wish to sincerely thanks to all the shareholders for their valued support.

For and on behalf of the Board of Directors,

(Pawan N Mehta)  
Managing Director

(N.R. Mehta)  
Executive Director

Place: Udaipur  
Dated: August 14<sup>th</sup> 2003

## ANNEXURE – 'A'

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The philosophy of the Company on corporate governance envisages the attainment of the highest level of transparency, accountability, trusteeship, integrity and equity in all areas of its operations. Your company consider good corporate governance a pre-requisite for meeting the needs and aspirations of its shareholders. Company is committed to good corporate governance. The fundamental objective of the Company is enhancement of shareholder value, whilst taking into account the interest of all other stakeholders for wealth creation. Your company has made substantial disclosures on the Board, Board Committees as also on the financial and stock performance.

### 2. BOARD OF DIRECTORS.

The Board of Directors is comprised of 5 Directors of which three are executive and two are non-executive independent Director.

|                     |                    |               |
|---------------------|--------------------|---------------|
| Shri Pawan N. Mehta | Managing Director  | Executive     |
| Shri Nagraj Mehta   | Executive Director | Executive     |
| Shri Ashok N. Mehta | WholeTime Director | Executive     |
| Shri V.C. Puri      | Independent        | Non Executive |
| Shri K.S. Khamesra  | Independent        | Non Executive |

### 3. Details of Board Meeting, attendance at Board Meetings and last AGM and details of memberships in other Boards & Committees:

#### a. Details of Board Meeting

The Board met 7 times during the year on 30.04.2002, 30.07.2002, 12.8.2002, 03.10.2002, 25.10.2002, 30.01.2003 and 12.03.2003.

#### b. Attendance and details of membership in other Board & Committees:

| Name of Directors | No. of Board Meetings Attended | Whether Attended Last A G M | Catogery of of Director | Director ship in other Boards | Comm- ittee Member |
|-------------------|--------------------------------|-----------------------------|-------------------------|-------------------------------|--------------------|
| Pawan N. Mehta    | 6                              | Yes                         | M.D.                    | -                             | 1                  |
| N.R. Mehta        | 7                              | Yes                         | E.D.                    | -                             | 1                  |
| Ashok N. Mehta    | 6                              | Yes                         | Executive               | 1                             | 3                  |
| V.C. Puri         | 3                              | Yes                         | Independent             | -                             | 2                  |
| K.S. Khamesara    | 2                              | Yes                         | Independent             | -                             | 2                  |

### 4. AUDIT COMMITTEE

The company had reconstituted an audit committee on 12.08.2002 under section 292A of the Companies Act, 1956 and as per compliance of clause 49 of Listing Agreement

- a. Shri Pawan N. Mehta Chairman  
b. Shri V.C. Puri Member  
c. Shri Ashok Mehta Member

The committee met on 02.08.2003. All the members attended this meeting. The statutory auditors were present as invitees in the meeting.

The scope of reference to the committee includes:

- Review of audit with Statutory Auditors.
- Limited Review of accounts with Statutory Auditors.
- Review of annual Financial statements with Auditors and management before submission to the Board.

#### 5. SHARE HOLDERS/INVESTORS GRIEVANCE COMMITTEE/TRANSFER COMMITTEE.

In compliance of Clause 49 of Listing Agreement with Stock Exchange, a Share holders/Investors Grievance Committee was constituted on 25.10.2002 which consists of following members:

- |                        |          |  |
|------------------------|----------|--|
| a. Shri V.C. Puri      | Chairman | (Non-executive and independent Director) |
| b. Shri K.S. Khamesra  | Member   |  |
| c. Shri Ashok N. Mehta | Member   |  |
| d. Shri M.C. Bhalawat  | Member   | (Company Secretary)                      |

This committee facilitates prompt and effective redressal of shareholders complaints and to look into their grievances. The Board has empowered this committee to approve transfer and sub-division of shares etc. There were no complaints remaining unsolved as on 31.03.2003.

#### 6. REMUNERATION COMMITTEE

The Board has constituted a remuneration committee consisting of following members:-

- |                        |          |
|------------------------|----------|
| a. Shri N.R. Mehta     | Chairman |
| b. Shri Ashok N. Mehta | Member   |
| c. Shri K.S.Khamesra   | Member   |

The details of remuneration of the managerial personnel for the year 2002-2003 are given in Note No. 15 of Schedule 19 in Notes on Accounts.

No sitting fee has been paid to any director for attending the board meeting and committee meeting.

#### 7. DIRECTORS

Particulars about Directors who are retiring and are eligible for re-appointment and for those who are proposed to be re-appointed have been given in the notice convening the Annual General Meeting and Explanatory Statement.

#### 8. GENERAL BODY MEETINGS

The last three Annual General Meetings:

| Year & No. of Meeting                 | Date       | Time     | Venue   |
|---------------------------------------|------------|----------|---|
| 1999-2000<br>10 <sup>th</sup> Meeting | 18.09.2000 | 11.00 AM | 505-508 S.M. Lodha Complex, Opp. Shastri Circle P.O., UDAIPUR |
| 2000-2001<br>11 <sup>th</sup> Meeting | 29.09.2001 | 11.00 AM | - do -  |
| 2001-2002<br>12 <sup>th</sup> Meeting | 30.09.2002 | 11.00 AM | - do -  |

There were no special resolutions passed through postal ballot during the financial year 2002-2003. However, Special Resolution was passed at the Extra Ordinary General Meeting held on 14<sup>th</sup> April, 2003 regarding delisting of its shares from The Stock Exchange, Ahmedabad.

#### 9. DISCLOSURES:

- a. Disclosures on materially significant related party transactions i.e. transaction of the company in material nature with its promoters, the Directors or the Management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the company at large:
  - None of the related party transaction were in conflict with the interest of the company at large.
- b. Details of non compliance by the company, penalties, strictures imposed on the company by Stock Exchange or Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets during the last three years;
  - No penalties/strictures have been imposed on the company by any regulatory authority for non compliance of any laws/regulations relating to capital market. However company has paid a sum of Rs.10,000/- to Mumbai Stock Exchange, Mumbai towards reinstatement of Listing of its equity shares.

#### 10. INSIDER TRADING

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the company has adopted a code of conduct for prevention of insider trading and required disclosure practices.

#### 11. CAUTIONARY STATEMENT

Any statement made in the Management Analysis and report relating to Company's objectives, projections, outlook, expectations, estimates etc. may constitute forward looking statements within the meaning of applicable laws and regulations. Actual result may differ from such expectations, projections etc., whether express or implied.

Several factors like climatic conditions, economic conditions, auction and private sale regulations, taxations, natural calamity, changes in tax laws might have an impact on the working of the Company.

#### 12. MEANS OF COMMUNICATION

The quarterly results are published in the Jai Rajasthan (Udaipur). During the year there were no presentations made to Institutional Investors. As per the requirement of listing agreement, all the data relating to quarterly financial results, shareholding pattern, etc are provided to the Stock Exchange within the time prescribed in this regard.





## 13. GENERAL SHAREHOLDERS INFORMATION

|   |  |   |
|---|--|---|
| a | <b>Annual General Meeting</b>          | Tuesday 30 <sup>th</sup> Sep.2003.<br>at 505-508 S.M.Lodha Complex,<br>Opp. Shastri Circle Post Office,<br>UDAIPUR(RAJ.)  |
| b | <b>Book Closure</b>                    | 29.09.2003 to 30.09.2003<br>(Both days inclusive)   |
| c | <b>Listing on Stock Exchange</b>       | The Stock Exchange, Mumbai<br>Jaipur Stock Exchange Ltd.,Jaipur   |
| d | <b>Stock Code</b>                      | The Stock Exchange,<br>Mumbai - 530631<br>Jaipur Stock Exchange Ltd.,Jaipur   |
| e | <b>Listing Fee</b>                     | Annual Listing fee for the year<br>2002-2003 has been paid to all the<br>Stock Exchanges.   |
| f | <b>Share Price Data</b>                | There has been no active trading<br>at both Mumbai Stock Exchange<br>and Jaipur Stock Exchange.   |
| g | <b>Registrar &amp; Transfer Agents</b> | The Share Transfer work is being<br>done by in-house Share Deptt. of<br>Company at Regd.Office.<br>We have Dolphin Software for the<br>above job.   |
| h | <b>Share Transfer System</b>           | The power to approve transfer of<br>shares had been delegated by the<br>Board to the Share Transfer Committee.<br>Share Transfers are normally<br>processed within 15 days from the<br>date of receipt.   |
| i | <b>Dematerialisation of Shares.</b>    | Company is in the process of of<br>getting the shares into dematerialized<br>form. Presently shares are held in<br>physical form.   |
| j | <b>Plant Locations</b>                 | Air Port Road, Post Gudli,<br>Udaipur (Raj.)  |
| k | <b>Address for correspondence</b>      | All correspondence regarding shares<br>should be addressed to company's<br>share deptt. of the company.<br><br><b>M.C. Bhalawat,</b><br>Company Secretary,<br>M/s Rose Zinc Limited,<br>505-508 S.M. Lodha Complex,<br>Opp. Shastri Circle Post office,<br>UDAIPUR - 313 001 (RAJ.) |

I. Distribution of Shareholdings as on 31<sup>st</sup> March, 2003

| No. of share held | Folio       |            | Shares         |               |
|-------------------|-------------|------------|----------------|---------------|
|                   | Number      | %          | Number         | %             |
| Upto - 500        | 4160        | 71.08      | 1337400        | 16.55         |
| 501 - 1000        | 877         | 14.98      | 748600         | 9.26          |
| 1001 - 2000       | 431         | 7.37       | 639500         | 7.91          |
| 2001 - 3000       | 178         | 3.04       | 444900         | 5.50          |
| 3001 - 5000       | 93          | 1.59       | 381900         | 4.73          |
| 5001 - 10000      | 60          | 1.03       | 446680         | 5.53          |
| 10001 - 20000     | 35          | 0.60       | 520100         | 6.44          |
| Above 20000       | 18          | 0.31       | 3563040        | 44.08         |
| <b>TOTAL</b>      | <b>5852</b> | <b>100</b> | <b>8082120</b> | <b>100.00</b> |

m. Pattern of Share Holding as on 31<sup>st</sup> March, 2003

| Sr. No. | Category                      | No. of Shares  | % of Share Holding |
|---------|-------------------------------|----------------|--------------------|
| 1.      | Promoters and Promoters Group | 3251320        | 40.23              |
| 2.      | Mutual Funds                  | 9400           | 0.12               |
| 3.      | Private Bodies Corporate      | 70200          | 0.87               |
| 4.      | Indian Public                 | 3958100        | 48.97              |
| 5.      | NRIs/OCBs                     | 793100         | 9.81               |
|         | <b>TOTAL</b>                  | <b>8082120</b> | <b>100.00</b>      |