
Annual Report and Accounts 2002-2003

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CCAP LIMITED

(formerly Central Concrete & Allied Products Limited)

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(formerly Central Concrete & Allied Products Ltd.)

Computech International Ltd. of 77/2A, Hazra Road, Kolkata-700 029 has been appointed as Registrars and Share Transfer Agents of the Company. Shareholders may please contact them for any matters in connection with the shareholding in the Company.

Telephone : 2476-7350/7351/7352/7353/7354

Fax : 2474-7674

Share Transfer

As per SEBI guidelines, trading of the Equity Shares in the Company has been compulsorily dematerialised with effect from 26th March, 2001. The Demat ISIN No. in NSDL & CDSL is INE 413C01013.

In case of any share transfer in physical form, after the transfer is effected, a letter is sent to the transferee up to 500 shares offering option to demat the shares. If the demat option is exercised, the Company demats the Shares. Otherwise, the share certificates are despatched to the transferee after 30 days. For others, share certificates are despatched to the transferee within 15 days from the date of receipt of the transfer deed.

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BOARD OF DIRECTORS :

Chairman : Mr. Chirantan Mukherji

Directors : Mr. Asamanja Mitra
Mr. Samir Ghosh
Mr. Monoj Ghose (Whole-time Director)
Mr. Chinmoy Mazumder

Secretary : Mr. T. K. Bhattacharya

Auditors : G. Basu & Co.
Chartered Accountants

Bankers : State Bank of India

Registered Office : 8, Camac Street
3rd Floor, Space - 1
Kolkata - 700 017

Notice

Notice is hereby given that the Thirtieth Annual General Meeting of the Members of CCAP Limited will be held at Gyan Manch at 11, Pretoria Street, Kolkata - 700 071 on Friday, the 19th September, 2003 at 11-00 A.M. to transact the following business :-

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2003 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon (copies enclosed).
2. To declare a Dividend.
3. To appoint Directors in place of Mr. Monoj Ghose and Mr. Samir Ghosh who retire by rotation and being eligible offer themselves for re-appointment.
4. To appoint Auditors and fix their remuneration.
5. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution :-

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, 314, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the reappointment of Mr. Monoj Ghose as a whole-time Director of the Company for a period of three years with effect from 1st October, 2003 on the terms and conditions as to remuneration and perquisites set out in the explanatory statement."

By order of the Board
T. K. Bhattacharya
Company Secretary

Kolkata
Dated, the 26th June, 2003

Notice

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 Dividend as recommended by the Board of Directors, if approved, will be payable to those Members whose names appear in the Company's Register of Members as well as in the records of the Depositories on 19th September, 2003.
3. Explanatory Statement under Section 173 (2) of the Companies Act, 1956 in respect of the item of special business is annexed hereto.
4. Pursuant to Section 205A of the Companies Act, 1956, all unpaid/unclaimed dividends up to the financial year ended 31st March, 1995, have been transferred to the General Revenue Account of the Central Government. Shareholders concerned are requested to submit their claims in the prescribed form to the Registrar of Companies, West Bengal, Nizam Palace, 234/4, Acharya Jagadish Chandra Bose Road, Kolkata - 700 020. The unpaid/unclaimed dividends relating to the financial year ended 31st March, 1996 and thereafter, will have to be claimed by the shareholders from the Company within 7 (seven) years from the date of transfer of the money to the unpaid dividend account of the Company. Thereafter, the money will be transferred to the Investor Education and Protection Fund of the Central Government established under Section 205C of the said Act against which no claim will lie as per Section 205B of the said Act.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 1st September, 2003 to 19th September, 2003 (both days inclusive).
6. If any member, who will attend the meeting, desires to have any information on the Accounts, he is requested to write to the Company at least seven days in advance of the date of the meeting in order to enable the Company to inform the meeting on the points appropriately.
7. Members are requested to bring their copy of the Annual Report and Accounts to the meeting.

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

Item No. 5

The existing agreement with Mr. Monoj Ghose whole-time Director of the Company expires on 30th September, 2003. Having regard to the wide knowledge and experience of the said person, the Board of Directors at their meeting held on 26th June, 2003, have reappointed him as a whole-time Director for another period of 3 years with effect from 1st October, 2003, with the remuneration and other terms and conditions of the appointment set out below, which are within the limits of Schedule XIII of the Companies Act, 1956 :

- a) Salary : Rs.35,000/- per month, subject to Income Tax.
- b) Perquisites : Perquisites shall be restricted to an amount equal to the annual salary.
 - (i) **House Rent Allowance :**
Rs.15,000/- per month, subject to Income Tax.
Explanation : The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962, subject to a ceiling of ten percent of the salary of the Director.
 - (ii) **Medical Reimbursement :**
Reimbursement of expenses incurred on account of domiciliary treatment for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years. For hospitalized cases, the limit is Rs.1,00,000/- over the period of three years.
 - (iii) **Leave Travel Concession :**
Leave Travel Concession for self and family once in a year for traveling within India.
 - (iv) **Club Fees :**
Fees of clubs subject to a maximum of two clubs. No admission and Life Membership Fees will be paid.
 - (v) **Personal Accident Insurance :**
Personal Accident Insurance of an amount, the annual premium of which does not exceed Rs.1,000/- per annum.
 - (vi) Contribution to Superannuation Fund or Annuity Fund, if any, will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - (vii) Provision of Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed to the Director by the Company.
 - (viii) In the event of loss or inadequacy of profits of the Company during the period of the Director's appointment, he will be entitled to the same remuneration as above.

General Terms and Conditions :

1. The service of the said Director may be terminated by 30 day's notice in writing, by either of the parties hereto without assigning any reason.
2. The said Director shall not be entitled to claim damages against the Company for termination of his service before completion of the period.

Under Section 309 of the Companies Act, 1956, approval of the Shareholders is required to the proposed remuneration of Mr. Monoj Ghose.

This Explanatory statement should also be treated as an abstract of the terms of appointment of the aforesaid whole-time Director and the memorandum of interest of the Director in the said appointment as contemplated by Section 302(7) of the Companies Act, 1956.

The Articles of Association of the Company as also the draft contract between the Company and the said whole-time Director are open for inspection at the Registered Office of the Company between 11-00 A.M. and 1-00 P.M. on any working day prior to the date of the meeting.

The Board recommends that the resolution be adopted.

Mr. Monoj Ghose, Director of the Company is concerned or interested in the resolution. No other Director is concerned or interested.

By order of the Board

T. K. Bhattacharya
Company Secretary

Kolkata

Dated, the 26th June, 2003

DIRECTORS' REPORT

To

The Shareholders

Your Directors have pleasure in presenting the Thirtieth Annual Report with the audited Accounts of your Company for the year ended 31st March, 2003.

1. SUMMARISED FINANCIAL RESULTS AND PROPOSED APPROPRIATIONS :

2002 - 2003

		Rs.
i) Net Profit before Taxation		1,48,43,343
ii) Balance brought forward from previous year		37,69,476
iii) Provision for appreciation in value of Investment		12,643
	Total	<u>1,86,25,462</u>
Appropriations :		Rs.
i) Provision for Taxation		
a) Income Tax		
i) For current year	52,50,000	
ii) Deferred Tax	53,430	
b) Wealth Tax	<u>20,000</u>	53,23,430
ii) Short provision for Income Tax for earlier year		10,743
iii) Proposed Dividend @ 15%		53,46,017
iv) Income Tax on Proposed Dividend		6,84,958
v) Transfer to General Reserve		3,00,000
vi) Balance carried to Balance Sheet		69,60,314
	Total	<u>1,86,25,462</u>

2. DIVIDEND :

Your Directors are pleased to recommend payment of Dividend of 15% in respect of the year ended on 31st March, 2003. The Dividend, if approved by the members at the Annual General Meeting, will be paid to those shareholders registered in the books of the Company and the Depositories on 19th September, 2003.

3. UNPAID DIVIDEND :

Last seven years' balances lying in the Company's Unpaid Dividend Accounts with its Bankers are shown below :-

	<u>As on 31.3.2003</u>
1995 - 96	Rs. 84,068.60
1996 - 97	Rs. 1,35,667.00
1997 - 98	Rs. 1,45,692.00
1998 - 99	Rs. 1,44,419.00
1999 - 00	Rs. 1,65,167.00
2000 - 01	Rs. 1,54,495.30
2001 - 02	Rs. 2,28,222.60

As per the Companies Act, 1956, unpaid dividends for 1995-96 will be transferred to Investor Education and Protection Fund of Central Government in November, 2003 after completion of seven years. Individual reminders have been sent to the concerned shareholders to take action for claiming the dividend from the Company before it is transferred to the said Fund. Some shareholders have got in touch with the Company and their claims are being attended to.

4. MANAGEMENT DISCUSSION & ANALYSIS REPORT :**(a) Industry Structure & Developments**

Activities of your Company come under the category of Infrastructure Construction Industry. With the increased activity in developing the road/railway communication in the country, future of the infrastructure construction industry shall continue to remain encouraging.

(b) Opportunities, Threats, Risks & Concerns

Although general recessionary trend in the capital goods sector continue to remain unchanged, infrastructure construction industry will not be affected seriously in view of the announcement made by the Hon'ble Finance Minister in the last Budget that a major thrust will be given to infrastructure development work by which 48 new Road Projects will be undertaken at an estimated cost of Rs.40,000 crore mainly funded by World Bank /Asian Development Bank. National Highways Authority of India has already started action on the Projects.

As in other industries, infrastructure construction industry also faces competition not only from the national competitors but also from the foreign parties due to liberalisation. Since your Company is engaged in heavy constructions like, bridges, mechanical highways etc., an element of risk remains in the business of the Company depending on the political and economic developments in the country apart from the act of God.

(c) Segment-wise Performance

There is no segmented activities in the operation of the Company.

(d) Outlook

Having regard to the prevailing circumstances, your Company visualizes a hopeful growth in the industry.

(e) Internal Control Systems

Your Company maintains an internal control system in different areas like, purchases, billing for the jobs etc. Moreover, there are Internal Auditors who make a constant monitoring to have proper and sufficient care for maintenance of adequate accounting records required for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(f) Financial & Operational Performance

Your Directors report that during the year under review, the Company bagged a work order in Mizoram for rehabilitation and maintenance of M-1:Kawlkulh Ngopa-Tuivai Road (96.625 KM) including culverts and other civil works at a cost of Rs.1715 lac. The agreement was signed on 12th November, 2002 and the work is to be completed within 18 months from the said date. The other projects of the Company are, improvement of 48.20 KM Berhampore (Chunakhali)-Jalangi Road in Murshidabad District in West Bengal and Manderhill-Dumka Broad Gauge Railway line partly in Bihar and partly in Jharkhand.

During the year ended 31st March, 2003, your Company achieved a turnover of Rs.1120 lac which is below the desired level. National Highways Authority of India is calling bids for road works throughout India of considerable values. In order to participate in the biddings, your Company enters into joint venture agreements with reputed partners, where necessary. The works under contracts of (i) Improvement of Berhampore (Chunakhali)-Jalangi Road (taken up prior to this year), (ii) Manderhill-Dumka B.G. Rail Line (taken up prior to this year) and (iii) Rehabilitation and maintenance of Kawlkulh Ngopa-Tuivai Road (taken up this year) have been considered in the Profit & Loss Account on the basis of works executed during the year under report.

(g) Developments : Human Resources / Industrial Relations Front

Your Board has nothing to report on the developments in human resources as well as industrial relations front which have a material bearing on the business of the Company. Number of employees have been reduced by 23 heads. 9 persons have been employed by the Company during the year under review depending on the requirement.

(h) Disclosures by the Management

Your Board has not received any disclosure by the management relating to any material, financial and commercial transactions where any of the managerial staff has personal interest that may have a potential conflict with the interest of the Company at large.

5. FUTURE PROSPECTS :

Your Directors report that your Company is in the process of submitting bids for several jobs including —

- (a) Strengthening of 2-lanes of a road in Tamil Nadu;

- (b) Port Connectivity Roads in India under National Highways Authority of India;
- (c) Improvement & upgradation of roads in different parts of Mizoram;
- (d) Upgradation works under the Karnataka State Highways Improvement Project;
- (e) Civil work contracts for proposed Uttar Pradesh State Roads;
- (f) Repairs of certain roads in and around Kolkata;
- (g) Extension work of Circular Railway, Kolkata from Princep Ghat to Majerhat;
- (h) Widening and strengthening of Gujarat State Roads;
- (i) Conversion of Delhi-Gurgaon Section of NH 8 in access controlled eight/six lane highway on BOT basis.

6. POSSIBLE DIVERSIFICATION :

Your Directors reported last year that construction of a sophisticated 10-storied office complex on the larger plot of land of 15 Kottah at Salt Lake City, Kolkata within the zone of the Electronics Complex, was under active consideration of the Company for starting the work as early as possible. Your Directors are pleased to report that piling work has already been completed and raft casting is expected to be completed when this report reaches you.

Regarding the Housing Project at Barasat on 7 bigha plot of land owned by the Company as reported in the last year's Report, your Directors report that the Project plan has been submitted to the Municipal Authorities. Sanction is awaited.

7. ARBITRATION :

- i) Against the two Arbitration Awards in favour of your Company towards price escalation on the two contracts relating to construction of Durgapur Expressway, though Government of West Bengal's challenge was rejected by the Calcutta High Court, the said Government took recourse to various legal ways, delaying realisation of the money. The matter had since reached the final stage and your Company has realised the Award money in respect of the Awards.
- ii) The petition filed by DVC before the Calcutta High Court challenging the Arbitration Award published in favour of your Company in respect of the work of construction of Intake Pump House etc. for Mejia Thermal Power Plant of DVC in Bankura District has since been rejected by the Calcutta High Court, in favour of your Company. DVC has not yet paid the Awarded amount and as such your Company has moved an Execution Petition in Calcutta High Court.
- iii) Your Board also reports that in regard to certain claims of the Company in respect of construction of New Double Line Balawali Bridge over river Ganga in Moradabad-Saharanpur Section of Northern Railway, the matter has been referred to arbitration by the Northern Railway and the arbitration proceedings are in progress.
- iv) Your Board further reports that in regard to certain additional claims by the Company in respect of the two contracts for construction of Durgapur Expressway, arbitration proceedings have been concluded and two Awards, in favour of your Company, have just been published.

8. DIRECTORS :

Mr. Monoj Ghose and Mr. Samir Ghosh retire by rotation and are eligible for reappointment. The Board recommends their reappointment.

Mr. Monoj Ghose, B.E., C.E., MIE, 63 years of age is a Professional Engineer who is associated with the Company as a whole-time Director since 1982. He holds an extensive experience in a number of big Civil Engineering Projects such as Fly-overs, Industrial Structures, Dams, Tunnels etc. He is also well conversant with construction of mechanised highways. Mr. Ghose is a Director of CASA Engineers International Pvt. Ltd.

The agreement of appointment as a whole-time Director between the Company and Mr. Monoj Ghose expires on 30th September, 2003. Since his vast experience is of immense help to the Company in carrying out the Projects, the Board has reappointed him a whole-time Director for another term of three years from 1st October, 2003 subject to your approval in the ensuing Annual General Meeting.

Mr. Samir Ghosh, F.C.A., Chartered Accountant, 65 years of age is a well-known personality in the field of finance. He is an ex-Director of Allahabad Bank, ANZ Grindlays Bank and Credit Capital Finance Corporation. He also served as a senior partner of Messrs. Lovelock & Lewes, a reputed Chartered Account Firm and was a member in the expert advisory committees of the Institute of Chartered Accountants of India. He is a Director in the following companies —

- i) Contemporary Targett Prafull Pvt. Ltd.
- ii) United Credit Ltd.

- iii) Lovelock & Lewes Services Pvt. Ltd.
- iv) Partner Support Management (India) Pvt. Ltd.
- v) Subhas Projects & Marketing Ltd.
- vi) Abacus India Trust (Trustee).

9. CORPORATE GOVERNANCE :

Corporate Governance Report is set out as a separate annexure, which forms part of this Report.

10. AUDITORS' OBSERVATIONS :

In regard to the Auditors' comments on the Accounting Standard (AS-7), your Directors have made disclosure as required under Section 211 (3B) of the Companies Act, 1956, in Note 3 in the Notes on Accounts (Schedule 14) under the heading "Disclosure under Section 211 (3B) of the Companies Act, 1956."

For consent of Company's Bankers on declaration of dividend to the shareholders, the Company will write to the Bankers at the appropriate time.

11. AUDITORS :

G. Basu & Co. Chartered Accountants, Auditors of the Company for the year 2002-2003, being eligible, have offered themselves for reappointment as Auditors of the Company for the year 2003-2004. Your Directors recommend reappointment of G. Basu & Co.

12. RESPONSIBILITY STATEMENT U/S 217 (2AA) OF THE COMPANIES ACT, 1956 :

Your Directors report that —

- i) In preparation of the Annual Accounts of the Company which is a Construction Company, the applicable accounting standards except accounting standard AS-7 — "Accounting for Construction Contracts" had been followed. The accounting policy for accounting the Company's Construction Contracts does not literally follow the percentage completion method as envisaged in AS-7 issued by the Institute of Chartered Accountants of India. The reasons for such departure are as follows :

All the Construction Contracts executed / under execution by the Company are Item Rate Contracts where specified rates are mentioned for each item of work. The Company raises bills on completion of such items which are not in any way treated as advance/ lumpsum progress payments. Revenue is recognised only on completion of any item which is either certified by the Client or awaiting certification at the year end and for which matching expenses are incurred / brought forward in an accounting year. The above accounting treatment does not materially deviate from that as per percentage completion method and at the same time allows revenue recognition on a more realistic basis.

- 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 year 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 the Companies 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.

13. PARTICULARS U/S 217 (1) (e) :

The particulars required in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956, are not set out in this report, as the Company's nature of activities, is execution of works contracts.

14. PARTICULARS OF EMPLOYEES :

The particulars required under Section 217 (2A) of the Companies Act, 1956 are not set out in this report, as no employee of the Company is coming under the provisions of the said Section.

15. ACKNOWLEDGEMENT :

The Company received fullest co-operation from State Bank of India and your Board wishes to place on record its gratitude to the Bank.

Your directors wish to place on record their sincere appreciation of the contribution made by all the employees of the Company.

Kolkata
Dated, the 26th June, 2003

C. Mukherji
Director

A Mitra
Director

M. Ghose
Director

REPORT ON CORPORATE GOVERNANCE

[As per Clause 49 of the Listing Agreements with Calcutta, Mumbai & Ahmedabad Stock Exchanges]

I) COMPANY'S PHILOSOPHY

The Company believes that growth of a Company largely depends on the confidence of investing people, shareholders and others with whom the Company interacts. The confidence is achieved by means of easy communication with them. Practicing Corporate Governance is a big step in communicating transparency of the activities/affairs of the Company to the concerned parties including investing people, shareholders, Government and lenders.

II) BOARD OF DIRECTORS

The Board comprises a Non-Executive Chairman, one Executive Independent Director and three Non-Executive Independent Directors totalling five. Accordingly, the stipulations that in case of Non-Executive Chairman at least 1/3rd of the total number of Directors should be Independent Directors, has been complied with.

During the year under review, the Company did not have any pecuniary relationship or transactions with the Non-Executive Directors excepting Mr.C. Mukherji who received fees as Professional/Technical Advisor under Section 309(1) of the Companies Act, 1956.

Remuneration in the form of sitting fees of Non-Executive Directors is decided by the Board of Directors.

During the year six Board Meetings were held on 7.5.2002, 26.6.2002, 25.7.2002, 29.10.2002, 28.11.2002 & 29.1.2003.

Attendance of the Directors at the Board Meetings during the year and at the last Annual General Meeting as also number of other Directorships are given below :

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance At last A.G.M.	No. of Other Directorships	Other Committee Memberships Member	Chairman
1. Mr.C. Mukherji	Non-Executive Chairman	5	No	3	0	0
2. Mr. A. Mitra	Non-Executive and Independent Director	6	Yes	1	0	0
3. Mr. S. Ghosh	Non-Executive and Independent Director	6	Yes	5	2	1
4. Mr. M. Ghose	Executive and Independent Director	4	Yes	1	0	0
5. Mr.C.Mazumder	Non-Executive and Independent Director	6	Yes	1	0	0

III) AUDIT COMMITTEE

The Audit committee was formed on 24.4.2003 comprising the following :-

Mr. A. Mitra — Non-executive Independent Director.

Mr. S. Ghosh (Having expert financial & accounting knowledge) — Non-executive Independent Director.

Mr. C. Mazumder (Chairman) — Non-executive Independent Director.

The Committee held one meeting on 24th June, 2003 before finalisation of annual accounts. All the three members attended the meeting. The Company Secretary acts as Secretary to the Committee.

The Audit Committee has been vested with the following powers :-

- To investigate any activities within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice;
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

TERMS OF REFERENCE

- (a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- (c) Reviewing with management the annual financial statements before submission to the Board, focussing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgement by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - *Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.*
- (d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- (e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (f) Discussion with internal auditors any significant findings and follow up thereon.
- (g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (h) Discussion 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.
- (i) Reviewing the Company's financial and risk management policies.
- (j) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

IV) REMUNERATION COMMITTEE

The Remuneration Committee was formed on 24.4.2003 comprising the following :-

Mr. A. Mitra	—	Non-executive Independent Director.
Mr. S. Ghosh	—	Non-executive Independent Director.
Mr. C. Mazumder (Chairman)	—	Non-executive Independent Director.

The Committee held one meeting on 24th June, 2003 for fixing the remuneration payable to Mr. M. Ghose, whole-time Director on his reappointment for three years on expiration of the present term on 30th September, 2003.

TERMS OF REFERENCE

- (a) To determine Company's policy on the remuneration packages for Executive Directors including salary/ bonus, benefits, stock options, pension, notice period, severance fees and terms of service contracts.
- (b) To take into account financial position of the Company, industrial trend, qualifications, experience, past performance, past remuneration of the Director and other related issues as the Committee may deem fit.
- (c) To bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders.

The Company follows the policy of fixing remuneration to Executive Directors in terms of Schedule – XIII and other applicable provisions of the Companies Act, 1956 duly approved by the shareholders.