

41st Annual Report 2009-10



Salora International Ltd.

BOARD OF DIRECTORS

SITARAM JIWARAJKA — Chairman

GOPAL SITARAM JIWARAJKA — Vice Chairman & Managing Director

GAUTAM KHAITAN — Director

P. N. MEHTA — Director

SANJEEV KAUL DUGGAL — Director

PATANJALI GOVIND KESWANI — Director

CHIEF FINANCE OFFICER

SURINDER SOOD

COMPANY SECRETARY

Y. P. BANSAL

AUDITORS

K. PRASAD & COMPANY, CHARTERED ACCOUNTANTS

BANKERS

STATE BANK OF INDIA

CANARA BANK

HDFC BANK LTD.

REGISTERED & CORPORATE OFFICE

SALORA INTERNATIONAL LIMITED

D-13/4, OKHLA INDUSTRIAL AREA, PHASE-II

NEW DELHI – 110 020

MANUFACTURING PLANTS

PLOT NO. B-31-34 & 50-53, SECTOR – 80 NOIDA (U.P.)

C-52, PHASE-II, NOIDA. (U.P.)

REGISTRAR AND SHARE TRANSFER AGENTS

SKYLINE FINANCIAL SERVICES PVT. LTD.

246, 1ST FLOOR, SANT NAGAR,

EAST OF KALASH, NEW DELHI – 110056.

TEL. : 011 – 26922683, 26292680

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ANNUAL GENERAL MEETING

Day	: Wednesday
Date	: 21st July, 2010
Time	: 11.00 A.M.
Venue	: Sri Sathya Sai International Centre, Pragati Vihar, Institutional Area, Lodhi Road, New Delhi – 110 003
Note	: Members are requested to bring their copy of the Annual Report to the Meeting

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the Members of Salora International Limited will be held on Wednesday, the 21st day of July, 2010 at 11.00 A.M. at Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi – 110 003 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt Balance Sheet of the Company as at 31st March, 2010 and Profit & Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Shri Sanjeev Kaul Duggal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Patanjali Govind Keswani, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS :

5. 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, 310, 311 and other applicable provisions of the Companies Act, 1956, read with and in accordance with the conditions of Schedule XIII to the said Act and further subject to the approval of Central Government, if required, Shri Gopal Sitaram Jiwarajka be and is hereby re-appointed as Managing Director of the Company for a period of 3 years w.e.f. 1st July, 2010 on the following terms as to remuneration payable to him:

1. **Salary:** Rs.4,00,000/- (Rupees Four Lac only) per month.
2. **Commission:** 2% of the net profits of the Company. Additional commission up to 1% of the net profits at the discretion of the Board/ Remuneration Committee depending upon the performance of the Company and Shri Jiwarajka.
3. **Executive Pay:** Rs.2,00,000/- (Rupees Two Lac Only) per month.
4. **Perquisites:**
 - a. House Rent Allowance @ 60% of the salary.
 - b. Reimbursement of expenses incurred on Gas, Electricity and Water subject to the limit of 10% of salary.
 - c. Reimbursement of medical expenses actually incurred for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.
 - d. Leave Travel Concession for self and family every year subject to maximum of one month salary in a year or two months' salary over a period of 2 years.
 - e. Fees of clubs subject to maximum of two clubs shall be borne by the Company but admission fee and life membership fee shall not be paid by the Company.
 - f. Company's contribution towards Provident Fund, Superannuation or Annuity Fund shall be made as per rules of the Company but to the extent these are not taxable under the Income Tax Act, 1961.
 - g. Gratuity shall be paid equal to one half month's salary for each completed year of service.
 - h. Encashment of earned leave shall be permitted at the end of tenure as per rules of the Company, which is 21 days in a year.
 - i. Provision of Company's car with driver for use on Company's business, Mobile and Telephone at residence but use of Car for personal purposes and long distance personal calls on telephone will be charged by the Company.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profits in any year, Shri Gopal Sitaram Jiwarajka will be entitled to get the minimum remuneration as specified in Schedule XIII of the Companies Act, 1956;

RESOLVED FURTHER THAT Shri Gopal Sitaram Jiwarajka will not be liable to retire by rotation as Director."

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 314 of the Companies Act, 1956 read with Director's Relatives (Office or Place of Profit) Rules, 2003, consent of the Company be and is hereby accorded to the appointment of Shri Ayush Jiwrajka in the Company as an Executive of the Company with such designation as the Board may deem fit at a monthly remuneration not exceeding Rs.50000/- (Rupees Fifty Thousand Only).”

By Order of the Board of Directors
Salora International Ltd.

Regd. Office:

D – 13/4, Okhla Industrial Area,
Phase – II, New Delhi – 110 020

Dated: 29th May, 2010

Y. P. Bansal
Company Secretary

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of Special Business to be transacted at the meeting is enclosed hereto.
3. The Share Transfer Register and Register of Members of the Company will remain closed from 12th July, 2010 to 19th July, 2010 (both days inclusive).
4. Members / Proxies are requested to produce the enclosed Attendance Slip duly filled in and signed as per the specimen signatures recorded with the Company / Depository Participant for attending the meeting.
5. As an economy measure, copies of Annual Report will not be distributed at Annual General Meeting. Shareholders are, therefore, requested to bring their copies of Annual Report to the Meeting.
6. Members who hold shares in dematerialized form, are requested to write their Client ID and DP ID Nos. and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the meeting.
7. A Member desirous of getting any information on the accounts or operations of the Company, is requested to forward his / her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
8. Members holding shares in physical form, are requested to notify immediately any change in their address and Bank particulars to the Company or to its Share Transfer Agent and in case their shares are held in dematerialized form, this information should be furnished directly, without any delay, to their respective Depository Participants and not to the Company or the Share Transfer Agents.
9. Members holding shares in physical form who have not yet provided the Bank details are once again requested to provide their Bank Account No., Name of the Bank and address of the Branch, quoting their Folio No., to the Company.
10. In all correspondence with the Company, members are requested to quote their folio numbers and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.
11. Members wishing to claim dividend, which remains unclaimed, are requested to correspond with the Company at its Registered Office at D – 13/4, Okhla Industrial Area, Phase – II, New Delhi – 110 020. Shareholders may please refer to table showing last date for claiming / due date for transfer to Investors Education and Protection Fund (IEPF) in respect of dividend declared after the Financial Year ended 31st March, 2003, given in the Corporate Governance Report published in this Annual Report.
12. Pursuant to provisions of Section 205A and 205C of the Companies Act, 1956 dividend for the Financial Years ended 1997-98, 1998-99, 1999-2000 2000-01 and 2001-02 has been transferred to Investors Education and Protection Fund (IEPF), set up by the Government of India and no payment there from shall be made.
13. At the ensuing Annual General Meeting, Shri Sanjeev Kaul Duggal and Shri Patanjali Govind Keswani, Directors of the Company retire by rotation and being eligible, offer themselves for reappointment. Further the present term of Shri Gopal Sitaram Jiwrajka,

Managing Director of the Company expires on 30th June, 2010. It is proposed to reappoint him in the ensuing Annual General Meeting. In terms of Clause 49 of the Listing Agreement, the information or details relating to these Directors are furnished in the statement on Corporate Governance, which is published in this Annual Report.

14. All document referred to in the notice are open for inspection at the Registered Office of the Company on all working days between 10.00 AM to 2.00 PM up to the date of Annual General Meeting.
15. SHAREHOLDERS MAY KINDLY NOTE THAT NO GIFTS / COUPONS WILL BE DISTRIBUTED AT THE MEETING, AS THE SAME HAS BEEN PROHIBITED UNDER THE SECRETARIAL STANDARDS FRAMED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA FOR HOLDING GENERAL MEETING.

Regd. Office:
D – 13/4, Okhla Industrial Area,
Phase – II, New Delhi – 110 020

By Order of the Board of Directors
Salora International Ltd.

Dated: 29th May, 2010

Y. P. Bansal
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

The present tenure of Shri Gopal Sitaram Jiwarajka, Managing Director of the Company expires on 30th June, 2010 and the Board of Directors of the Company has in its meeting held on 29th May, 2010, re-appointed him, to the office of Managing Director for a further period of 3 years, with effect from 1st July, 2010, on the terms and conditions as to remuneration as specified in the resolution as per Item No. 5 of Notice. The remuneration as proposed has also been approved by the Remuneration Committee. The re-appointment of Shri Gopal Sitaram Jiwarajka requires approval of the Members in terms of Schedule XIII of the Companies Act, 1956.

Shri Gopal Sitaram Jiwarajka was appointed as director of the Company on 28.08.1987 and is holding the office of Managing Director / Joint Managing Director since 01.04.1992. He is commerce graduate and possesses rich experience in Marketing, Finance, Production and Administration and has extensively traveled all over the globe. He possesses rich experience in TV and electronic industry and possesses in depth knowledge of Indian conditions in respect of this industry.

Your Directors recommend the resolution for approval of members as a Special Resolution.

Shri Gopal Sitaram Jiwarajka is interested or concerned to the extent of the remuneration proposed in the aforesaid resolution. Shri Sitaram Jiwarajka, Chairman of the Company is related to Shri Gopal Sitaram Jiwarajka and deemed to be interested or concerned in this resolution and no other Director is interested or concerned in the resolution.

Item No. 6

Section 314 of the Companies Act, 1956 read with Director's Relatives (Office or Place of Profit) Rules, 2003, requires prior approval of the member in General Meeting by way of a special resolution for holding office or place of profit of relatives of a Director carrying a monthly remuneration up to Rs.50,000/-

It is proposed to appoint Shri Ayush Jiwarajka as an Executive of the Company at a monthly remuneration not exceeding Rs.50,000/-. Shri Ayush Jiwarajka is a post graduate.

Shri Ayush Jiwarajka is relative of Shri Sita Ram Jiwarajka, Chairman and Shri Gopal Sitaram Jiwarajka, Vice Chairman & Managing Director. Hence, his appointment requires approval of the members by special resolution.

Your Directors recommend the resolution for approval of members as a Special Resolution.

No other Directors except Shri Sita Ram Jiwarajka and Shri Gopal Sitaram Jiwarajka are concerned or interested in this resolution.

Regd. Office:
D – 13/4, Okhla Industrial Area,
Phase – II, New Delhi – 110 020

By Order of the Board of Directors
Salora International Ltd.

Dated: 29th May, 2010

Y. P. Bansal
Company Secretary

STATEMENT PURSUANT TO SCHEDULE XIII PART II SECTION-II

1. GENERAL INFORMATION

(1) Nature of Industry	:	Manufacturing of CTV and its components		
	:	Distribution of IT and Telecom Products.		
	:	Wind Power Generation		
2) Date or expected date of commencement of commercial production.	:	20.11.1968		
(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			(Rs. in Lacs)	
			2009-10	2008-09
	i.	EBITD	53.04	1548.70
	ii.	FBT	-	44.10
	iii.	PAT	(618.27)	(28.10)
(5) Export performance and net foreign exchange collaborations	:	Export	3951.63	3949.73
		Net Foreign	4935.99	5866.08
		Exchange earnings		
(6) Foreign investment or collaborations, if any	:	No foreign collaboration or investment		

2. INFORMATION ABOUT APPOINTEE

(1) Background details	:	As provided in Explanatory statement above
(2) Past remuneration	:	<p>Salary: Rs.4,00,000/- (Rupees Four Lac only) per month.</p> <p>Commission: 2% of the net profits of the Company. Additional commission up to 1% of the net profits at the discretion of the Board/ Remuneration Committee depending upon the performance of the Company and Shri Jiwarajka.</p> <p>Executive Pay: Rs.2,00,000/- (Rupees Two Lac Only) per month.</p> <p>Perquisites:</p> <p>House Rent Allowance @ 60% of the salary.</p> <p>Reimbursement of expenses incurred on Gas, Electricity and Water subject to the limit of 10% of salary.</p> <p>Reimbursement of medical expenses actually incurred for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.</p> <p>Leave Travel Concession for self and family every year subject to maximum of one month salary in a year or two months' salary over a period of 2 years.</p> <p>Fees of clubs subject to maximum of two clubs shall be borne by the Company but admission fee and life membership fee shall not be paid.</p> <p>Company's contribution towards Provident Fund, Superannuation or Annuity Fund shall be made as per rules of the Company but to the extent these are not taxable under the Income Tax Act, 1961.</p> <p>Gratuity shall be paid equal to one half month's salary for each completed year of service.</p> <p>Encashment of earned leave shall be permitted at the end of tenure as per rules of the Company, which is 21 days in a year.</p>

- (3) Recognition or awards
- (4) Job profile and his suitability

Provision of Company's Car for use on Company's business, Mobile and Telephone at residence but use of Car for personal purposes and long distance personal calls on telephone will be charged by the Company.

: NIL

: The Company is engaged in the manufacturing of CTV and its components, distribution of IT and telecom products and Wind Power Generation.

Shri Gopal Sitaram Jiwaraika is a commerce graduate and possesses rich experience in marketing, finance, production and administration and has extensively traveled all over the globe. He possesses rich experience in TV and electronic industry and possesses in depth knowledge of Indian conditions in respect of this industry.

- (5) Remuneration proposed
- (6) Comparative remuneration profile with respect to industry size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).
- (7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.

: As provided in the Resolution above

: The remuneration for the similar position in the industry, having regard to the size of the Companies and profile of persons is not less than the proposed remuneration of Shri Gopal Sitaram Jiwaraika.

: Except for holding position and drawing remuneration as Managing Director and as shareholder, he has no other pecuniary relationship with the Company. He is relative of Shri S. R. Jiwaraika, Chairman, Shri Tarun Jiwaraika and Smt. Neetu Jiwaraika.

3. OTHER INFORMATION

- (1) Reasons of loss or inadequate profits.
- (2) Steps taken or proposed to be taken for improvement

: The inadequacy of the profit is a temporary phenomenal and is caused mainly by economic slow down which has affected not only our Company, the world as a whole.

: Considering the market scenario and the state of the current portfolio of products, the Company is looking at other new avenues of business to reduce the risk of slow down in the existing businesses.

The Company has tied up with M/s. Micro Star International (MSI) for distribution of MSI Laptops and with M/s. Dell India Pvt. Ltd. for distribution of DELL Laptops. To maintain market share in telecom sector the Company has entered into an agreement with M/s. Mobell Technologies (Brand name Mobell) and Motorola India Pvt. Ltd. for distribution of mobile handsets and accessories. The Company has also entered into an agreement with M/s. Sistema Shyam Teleservices Ltd. (Brand name MTS) for distribution of its data devices, handsets, cellular mobile services and related products.

In order to diversify the distribution platform Company has entered into strategic tie up with Samsung C & T Corporation for marketing and distribution of Pleomax brand CFL bulbs. Further to promote Salora Brand, Company has launched glossy paper and stationery products. All the above new products are expected to achieve good volume by the end of second quarter of this Financial Year.

- (3) Expected increase in productivity and profits in measurable terms.

: Leveraging on the vast experience of Shri Gopal Sitaram Jiwaraika in the diverse field of management, the company expects the revenues to grow by more than 30% in the coming year and earning to become positive in the coming year.

4. DISCLOSURE

- (1) The shareholders of the company shall be informed of the : Provided in the resolution and Corporate Governance Report.
remuneration package of the managerial person.
- (2) The following disclosures shall be mentioned in the Board of : Provided in the Corporate Governance Report.
Director's report under the heading "Corporate Governance", if
any, attached to the annual report.
 - (i) All elements of remuneration package such as salary
benefits, bonuses, stock options, pension, etc. of all the
directors;
 - (ii) Details of fixed components and performance linked
incentives along with the performance criteria;
 - (iii) Service contracts, notice period, severance fees;
 - (iv) Stock option details, if any, and whether the same has been
issued at the discount as well as the period over which
accrued and over which exercisable.

Regd. Office:
D – 13/4, Okhla Industrial Area,
Phase – II, New Delhi – 110 020

By Order of the Board of Directors
Salora International Ltd.

Dated: 29th May, 2010

Y. P. Bansal
Company Secretary

Notice

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 41st Annual Report together with the Audited Statement of Accounts for the Financial Year ended 31st March 2010.

FINANCIAL RESULTS

The performance of the Company for the Financial Year ended 31st March, 2010 is summarized below:

	(Rs in Lacs)	
	YEAR ENDED	YEAR ENDED
	March 31, 2010	March 31, 2009
Sales	52451.97	72034.41
Less: Excise Duty	491.44	645.70
Net Sales	51960.53	71388.71
Add: Other Income	156.33	105.01
Increase / (Decrease) in Stock	116.35	(967.89)
Total	52233.21	70525.83
Less: Total Expenditure	52180.17	68977.13
Operating Profit	53.04	1548.70
Less: Interest	608.86	1004.43
Less: Depreciation	427.19	520.08
Profit before Tax	(983.01)	24.19
Less: Provision for taxes		
Current Tax	-	57.00
Deferred Tax	(378.68)	(42.49)
Fringe Benefit Tax	-	44.10
Earlier Year : Income Tax	13.94	(6.32)
Profit / (Loss) after tax	(618.27)	(28.10)
Add: Balance brought forward from last year	1977.80	2108.94
	1359.53	2080.84
Less: Appropriations	-	103.04
Balance carried to Balance Sheet	1359.53	1977.80

BUSINESS OPERATIONS & FUTURE OUTLOOK

Net Sales of Rs.519.61 crores was achieved for the year ended 31st March, 2010 (Rs.713.89 in last Financial Year), registering negative growth. Profit before interest, depreciation and tax for the year decreased to Rs.53 lacs from Rs.15.49 crores during the preceding Financial Year. The revenue of the Company has decreased mainly due to discontinuation of distribution and service business of Sony Ericsson Products. It had adverse impact on the turnover of the Company and at the same time opened the doors for new products.

The Company has tied up with M/s. Micro Star International (MSI) for distribution of MSI Laptops and with M/s. Dell India Pvt. Ltd. for distribution of DELL Laptops. To maintain market share in telecom sector the Company has entered into an agreement with M/s. Mobell

Technologies (Brand name Mobell) and Motorola India Pvt. Ltd. for distribution of mobile handsets and accessories. The Company has also entered into an agreement with M/s. Sistema Shyam Teleservices Ltd. (Brand name MTS) for distribution of its data devices, handsets, cellular mobile services and related products.

In order to diversify the distribution platform Company has entered into strategic tie up with Samsung C & T Corporation for marketing and distribution of Pleomax brand CFL bulbs. Further to promote Salora Brand, Company has launched glossy paper and stationery products. All the above new products are expected to achieve good volume by the end of second quarter of this Financial Year and future outlook of the Company is reasonably bright. However, the profitability is closely linked to the competition in the domestic and export market, exchange rate fluctuations and overall economic development of the Country.

DIVIDEND

During the year under review, the Company suffered a net loss after tax of Rs.6.18 crore and therefore Board of Directors has not recommended any dividend for the Financial Year 2009-10.

FIXED DEPOSITS

The Company has not accepted any deposit in the year under report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statements, it is hereby confirmed that:

- in preparation of the annual accounts for the Financial Year 2009-10, the applicable accounting standards have been followed and there are no material departures.
- the accounting policies selected and applied are consistent and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profit/ (loss) of the Company for the year ended on that date;
- proper and sufficient care has been taken 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;
- the annual accounts have been prepared on a going concern basis.

DIRECTORS

Shri Sanjeev Kaul Duggal and Shri Patanjali Govind Keswani, retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. Further the present term of Shri Gopal Sitaram Jiwarajka, Managing Director of the Company

expires on 30th June, 2010. It is proposed to reappoint him in the ensuing Annual General Meeting. Brief resumes of the said Directors are given in the Corporate Governance Report.

LISTING OF SECURITIES OF COMPANY

The Equity Shares of the Company continue to be listed at The Stock Exchange, Mumbai (BSE) and National Stock Exchange (NSE) and listing fees for the Financial Year 2010-11 have been paid to each of the above Stock Exchanges.

DEMATERIALISATION

Trading of Equity Shares of the Company in dematerialized form is compulsory for all shareholders w. e. f. 28.08.2000 in terms of the Notification issued by the Securities and Exchange Board of India (SEBI). Your Company has achieved higher level of dematerialization with 98% of the total number of Equity Shares being held in the electronic mode with the two depositories.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Management Discussion and Analysis Report as required by Clause 49 of the Listing Agreement with the Stock Exchanges is given in "Annexure – I" forming part of this report. A certificate regarding compliance of conditions of Corporate Governance is annexed. A separate section on Corporate Governance is given in the Annual Report.

AUDITORS AND AUDITORS' REPORT

M/s. K. Prasad & Co., Chartered Accountants, the Statutory Auditors of the Company hold office up to the conclusion of the ensuing Annual General Meeting. The Company has received a certificate from them as required by the proviso to Sub-section (1) of Section 224 of the Companies Act, 1956, certifying that their appointment, if made, will be within the limits as specified in Section 224 (1B). There is no qualification in the Auditors' Report.

RESEARCH AND DEVELOPMENT

Particulars regarding Research & Development are given in the "Annexure – II" in Form B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo in terms of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in "Annexure II" forming part of this Report.

SUBSIDIARY COMPANIES

The name of Jadoonet Ltd. has been changed to Salora Capital Ltd. w.e.f. 13th May, 2009 which reflects NBFC business of the Company.

The annual accounts of subsidiaries of this Company i.e. Salora Capital Ltd. and Salora Components Ltd. are annexed as required by Section 212 of the Companies Act, 1956. A statement pursuant to Section 212 of the Companies Act, 1956 is given in Annexure III.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219 (1) (b) (iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Member who is interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere thanks to the Financial Institutions, Banks, Government Authorities, Customers, Vendors and Shareholders for the assistance, co-operation and valuable support to the Company. Your Directors also wish to place on record their sincere appreciation for the valuable services of the Executives, Staff and Workers of the Company.

For and on behalf of the Board of Directors
Salora International Ltd.

Place : New Delhi
Date: 29th May, 2010

Sitaram Jiwarajka
Chairman