

# 44<sup>TH</sup> ANNUAL REPORT 2012-13



LED TV CRT TV • MULTIMEDIA MUSIC SYSTEM • SMART PHONE • FEATURE PHONE • 3G DONGAL

**SALORA**  
Technology for Happiness

It takes years of understanding Technology before you can lead its future

# TECH-KNOWLEDGY

**SALORA**  
**POWERMaxx**  
 With 3200mAh Battery  
 Longest lasting in its class



Review from the Tech World



NDTV Cell Bate:  
 "We give the POWERMaxx 'Maxx' points"

MY MOBILE

"For a first smartphone, 21 does creditably"

mobile  
indian

"Reviews POWERMaxx 810"

Android v4.0.4  
32GB expandable  
1GB RAM

1GB RAM  
512MB RAM  
expandable  
up to 32GB

4.3" HD  
512MB RAM  
expandable  
up to 32GB

4.3" HD  
512MB RAM  
expandable  
up to 32GB

4.3" HD  
512MB RAM  
expandable  
up to 32GB

## ADDITIONAL FEATURES:

- PU Video Recording • "Xtra View" • Time Lapse Video • Notification LED • 150-coded Apps (Chrome, Facebook, Skype etc) • Connectivity (GPRS, EDGE, Bluetooth, Wi-Fi)
- SAR Value (A, B, C) from - 0.558 W/kg, All India - 0.766 W/kg • Pre-installed Screen Guard

BATTERY PERFORMANCE	
Talk Time	upto 22 hrs (3G)
Networking Standby Time	upto 430 hrs
Play Music	upto 42 hrs
Play Video	upto 10 hrs
Wi-Fi	upto 13 hrs
3G Networking	upto 11 hrs
Other Battery Features	More power Low energy usage No leakage

Exclusive RELIANCE 3G offer on prepaid in selected cities

4G :	Customer gets
3G :	4 GB Data free for 30 days
2G :	Talk time <100/- 1.1 GB Data free for 20 days
3G :	2.50 data free for the range of ₹255/-
4G :	1.50 data 1.147/- for the range of ₹247/-

- META GLASS SURFACE SPLIT
- 5 MP AUTO FOCUS CAMERA WITH FLASH & HD VIDEO RECORDING
- 1.3 MP FRONT CAMERA FOR VIDEO CHAT
- DUAL MIC TECHNOLOGY FOR VOICE CLARITY
- TOUCHSCREEN GLASS AND ARTI RESONANCE DISPLAY WITH ZERO AIR GAP
- MULTI-MEDIA MP3 & MP4
- GPS WITH GOOGLE MAP
- Wi-Fi
- Wi-Fi HOTSPOT

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 Technology for Happiness  
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# 44<sup>TH</sup> ANNUAL REPORT 2012-13



## BOARD OF DIRECTORS

GOPAL SITARAM JIWARAJKA –Chairman & Managing Director

GAUTAM KHAITAN – Director

P. N. MEHTA – Director

SANJEEV KAUL DUGGAL – Director

PATANJALI GOVIND KESWANI – Director

TARUN JIWARAJKA – Whole Time Director

## CHIEF FINANCE OFFICER

SURINDER SOOD

## COMPANY SECRETARY

PRINCY ANAND

## AUDITORS

K. PRASAD & COMPANY, CHARTERED ACCOUNTANTS

## BANKERS

STATE BANK OF INDIA

CANARA BANK

HDFC BANK LTD.

## REGISTERED & CORPORATE OFFICE

SALORA INTERNATIONAL LTD.

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.)

## REGISTRAR & SHARE TRANSFER AGENTS

SKYLINE FINANCIAL SERVICES PVT. LTD.

D-153-A, 1<sup>st</sup> FLOOR, OKHLA INDUSTRIAL AREA,  
PHASE -I, NEW DELHI-110020

Tel. No. 011-26812682, 83 & 84.

Fax No. : 011-30857562

Email: admin@skylinerta.com

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## ANNUAL GENERAL MEETING

**Day** : Wednesday

**Date** : 7<sup>th</sup> August, 2013

**Time** : 11.00 am

**Venue** : Lok Kala Manch, 20, Lodhi Institutional Area,  
Lodhi Road, New Delhi -110 003

**Note** : Members are requested to bring their copy of the  
Annual Report to the Meeting.

Visit us at [www.salora.com](http://www.salora.com)

## NOTICE

NOTICE is hereby given that the 44th Annual General Meeting of the Members of Salora International Limited will be held on Wednesday, the 7th day of August, 2013 at 11.00 A.M. at Lok Kala Manch, 20, Lodhi Institutional Area, 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, 2013 and Statement of 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 and 311 read with Schedule XIII of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force in compliance thereof) and subject to the such approvals as may be necessary Shri Gopal Sitaram Jiwarajka be and is hereby re-appointed as Managing Director of the Company for a period of 3 (three) years w.e.f. 1st July, 2013 to 30th June 2016, on the following terms of remuneration:

1. **Salary:** ₹ 2,00,000/- (Rupees Two Lac only) per month.
2. **Perquisites:**
  - a) Reimbursement of expenses incurred on Gas, Electricity and Water subject to the limit of 10% of salary.
  - b) 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.
  - c) Company's contribution towards Provident Fund shall be made as per rules of the Company but to the extent these are not taxable under the Income Tax Act, 1961.
  - d) Gratuity shall be paid equal to one half month's salary for each completed year of service.
  - e) 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.
  - f) Provision of Company's car with driver for use on Company's business, Mobile and Telephone at residence but long distance personal calls on telephone will be charged by the Company.

RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profits for any financial year, the aforesaid remuneration payable to Managing Director shall be the minimum remuneration payable in terms of Schedule XIII of the Companies Act, 1956 and subject to the approval of the Central Government, if necessary;

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to review the remuneration payable to Shri Gopal Sitaram Jiwarajka, on an annual basis, in keeping with the profits of the Company and that no further approval of members shall be required in case of any increase/revision in the remuneration payable as aforesaid, provided that the total remuneration does not exceed ₹ 4,00,000/- p.m.(inclusive of all perquisites) as prescribed by Part B of Section II of Schedule XIII of the Companies Act, 1956;

RESOLVED FURTHER THAT Shri Tarun Jiwarajka, Whole time Director of the Company be and is hereby authorized to make, sign and file all such forms, documents, papers etc. as may be required to be filed with the Registrar of Companies or other authorities in this regard and to do all such acts, deeds and things as may be required or considered necessary or incidental thereto;

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

None of the Directors except Shri Gopal Sitaram Jiwarajka and Shri Tarun Jiwarajka are interested or concerned in this resolution.

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: 30th May, 2013

Princy Anand  
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 30th July, 2013 to 6th August, 2013 (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-110020. 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, 2006, 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 1998-99, 1999-2000, 2000-01, 2001-02, 2002-03, 2003-04 (Interim Dividend), 2003-04 (final dividend), 2004-05 (Interim Dividend), 2004-05 (final dividend) and 2005 -06 (Interim Dividend) 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 re-appointment. Further the present term of Shri Gopal Sitaram Jiwarajka, Managing Director of the Company expires on 30th June, 2013, it is proposed to re-appoint 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. Pursuant to General Circular No. 2/2011 (No.:51/12/2007-CL-III) dated 8th February, 2011 the Company has not attached annual accounts of its subsidiary Companies with the Balance Sheet. Members who are interested in obtaining the annual accounts of subsidiary companies at any point of time may write to the Company Secretary at the Registered Office of the Company. The annual accounts of subsidiary companies shall be kept available at the head office of the Company for inspection by any member during working hours.
16. **SHAREHOLDERS MAY KINDLY NOTE THAT NO GIFTS / GIFT COUPONS OR CASH IN LIEU OF GIFTS 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.**

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: 30th May, 2013

Princy Anand  
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, 2013 and the Board of Directors of the Company has in its meeting held on 30th May, 2013, re-appointed him subject to shareholders approval, to the office of Managing Director for a further period of 3 years, with effect from 1st July, 2013, 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 shareholders 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 Tarun Jiwarajka, Whole time Director 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.

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: 30th May, 2013

Princy Anand  
Company Secretary

Notice

## STATEMENT PURSUANT TO SCHEDULE XIII PART II SECTION – II

### I GENERAL INFORMATION

(1) Nature of Industry	:	Manufacturing of CTV and its components		
	:	Distribution of 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	:			(₹ in lacs)
			<b>2012-13</b>	<b>2011-12</b>
	i.	EBITD	<b>1147.32</b>	172.57
	ii.	FBT	-	-
	iii.	PAT	<b>248.75</b>	(790.63)
(5) Export performance and net foreign exchange collaborations	:	Export	<b>17813.42</b>	18648.92
		Net Foreign Exchange earnings	<b>13900.78</b>	14832.26
(6) Foreign investment or collaborations, if any	:	No foreign collaboration or investment		

### II INFORMATION ABOUT THE APPOINTEE

(1) Background details	:	As provided in explanatory statement above
(2) Past remuneration	:	<p>Salary: ₹ 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 Gopal Jiwarajka.</p> <p>Executive Pay: ₹ 2,00,000/- (Rupees Two Lac Only) per month.</p> <p><b>Perquisites:</b></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>Encasement 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> <p>Provision of Company's car with driver for use on Company's business, Mobile and Telephone at residence but long distance personal calls on telephone will be charged by the Company.</p>
(3) Recognition or awards	:	NIL

Notice

- (4) Job profile and his suitability : The Company is engaged in the manufacturing of CTV and its components, distribution of telecom products and Wind Power Generation.  
Shri Gopal Sitaram Jiwarajka 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 : As provided in the Resolution above
- (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). : 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 Jiwarajka.
- (7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any. : 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 Smt. Neetu Jiwarajka, Shri Tarun Jiwarajka and Shri Ayush Jiwarajka.

### III OTHER INFORMATION

- (1) Reasons of loss or inadequate profits. : Due to discontinuation of IT products and Motorola business.
- (2) Steps taken or proposed to be taken for improvement : For growth and stability of business, the Company has decided to focus majorly on Salora Brand products including range of LED TVs, Home Theaters, Tablet Computers, Smart phone and feature phones. Press and technical reviews for the new products and market response is very good.  
These products will add to the turnover and profit in the year 2013-14. The Company has decided to focus on good margin 3rd party products for distribution.  
The Company has tied up with M/s. TCT Mobile International Ltd. for distribution of their smart phones under brand name ALCATEL and servicing of ALCATEL range of mobile phones. ALCATEL is well known brand and large numbers / variety of smart phone sold in many countries including UK, USA, Canada and Russia.  
The Company has also been marketing of thermo-ware products of world's well known brand Zojirushi, of Japan. Company has decided to expand its lifestyle division by introducing its own brand Q'bon including products tumbler, glass and melamine crockery.
- (3) Expected increase in productivity and profits in measurable terms. : Leveraging on the vast experience of Shri Gopal Jiwarajka in the diverse field of management, the Company expects the revenues to grow in the coming year.

### IV DISCLOSURE

- (1) The shareholders of the Company shall be informed of the remuneration package of the managerial person. : Provided in the resolution and Corporate Governance Report.
- (2) The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report. : Provided in the Corporate Governance Report.
- (i) All elements of remuneration package such as salary benefits, bonus, 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

Dated: 30<sup>th</sup> May, 2013

By Order of the Board of Directors  
Salora International Ltd.

Princy Anand  
Company Secretary



## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 44<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the Financial Year ended 31<sup>st</sup> March 2013.

### FINANCIAL RESULTS

The performance of the Company for the Financial Year ended 31<sup>st</sup> March, 2013 is summarized below:

	(₹ in Lacs)	
	Year ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
Sales	37317.44	41416.25
Less: Excise Duty	321.34	217.28
Net Sales	36996.10	41198.97
Add: Other Income	189.50	154.20
(Increase) / Decrease in Stock	604.80	814.08
Total	36580.80	40539.09
Less: Total Expenditure	35433.48	40366.52
Operating Profit	1147.32	172.57
Less: Interest	689.22	744.79
Less: Depreciation	372.13	360.25
Profit before Exceptional Item & Tax	85.97	(932.47)
Less: Exceptional Item	-	130.79
Profit before tax	85.97	(1063.26)
Less: Provision for taxes		
Current Tax	-	-
Deferred Tax	20.47	(282.97)
Earlier Year : Deferred Tax	(183.25)	-
Earlier Year : Income Tax	-	10.34
Profit / (Loss) after tax	248.75	(790.63)
Add: Balance brought forward from last year	-	446.77
	248.75	(343.86)
Less: Appropriations	-	-
Balance carried to Balance Sheet	248.75	(343.86)

### BUSINESS OPERATIONS & FUTURE OUTLOOK

During the period under review, the Company has been able to achieve net sales of ₹ 369.96 crore even after discontinuation of IT and Motorola business in the market as compared to ₹ 411.99 crore in the Financial Year 2011-12.

Profits before extra ordinary items, interest, depreciation, write-offs and provisions for the year increased to ₹11.47 crores from ₹1.72 crores during the preceding year.

For growth and stability of business, the Company has decided to

focus majorly on Salora Brand products including range of LED TVs, Home Theaters, Tablet Computers, Smart phone and feature phones. Press and technical reviews for the new products and market response is very good. These products will add to the turnover and profit in the year 2013-14. The Company has decided to focus on good margin 3rd party products for distribution.

The Company has tied up with M/s. TCT Mobile International Ltd. for distribution of their smart phones under brand name ALCATEL and servicing of ALCATEL range of mobile phones. ALCATEL is well known brand and large numbers / variety of smart phone sold in many countries including UK, USA, Canada and Russia.

The Company has also been marketing of thermo-ware products of world's well known brand Zojirushi, of Japan. Company has decided to expand its lifestyle division by introducing its own brand Q'bon including products tumbler, glass and melamine crockery.

The company has discontinued the sale of IT products, which were having low margin and high risk. The Company has also restructured its overheads resulting into optimization of expenses in line with current business.

### DIVIDEND

During the year under review, the Company has profits after tax of ₹ 2.49 crore. In the financial year 2012-13 company has focused to stabilize the business, therefore, Board of Directors has not recommended any dividend.

### 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 2012-13, 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 31<sup>st</sup> March, 2013 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, Directors, 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, 2013. It is proposed to reappoint him in the ensuing Annual General Meeting. Brief resume 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 Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) and listing fees for the Financial Year 2013-14 have been paid to both the 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, 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 annual accounts of subsidiaries of this Company i.e. Salora Capital Ltd. and Salora Components Ltd. are not attached pursuant to General Circular No. 2/2011 (No.:51/12/2007-CL-III) dated 8th February, 2011. Members who are interested in obtaining the annual accounts of subsidiary Companies at any point of time may write to the Company Secretary at the Registered Office of the Company. The annual accounts of subsidiary Companies shall be kept available at the head office of the Company for inspection by any member during working hours. A statement pursuant to Section 212 of the Companies Act, 1956 is given in Annexure III.

#### **PARTICULARS OF EMPLOYEES**

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rule 1975 are NIL.

#### **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.

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

(Gopal Sitaram Jiwarajka)  
Chairman & Managing Director

Date: 30th May, 2013