

# **Schablona India Limited**

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## **Twentyfourth Annual Report**

**2007-2008**

**Directors :**

Shri G. L. Sultania  
Shri Anirudh Kabra  
Shri Rakesh Kumar Borar  
Shri N. Goenka

**Auditors :**

Sanjeev Neeru & Associates  
202, Mohan Place, L.S.C.  
"C" Block, Saraswati Vihar,  
Delhi-110 034

**Bankers :**

Central Bank of India  
HDFC Bank Limited

**Registered Office :**

2, Red Cross Place  
Kolkata - 700 001

**Works :**

- 1) P. O. - Kassar, Bahadurgarh - 124 507  
Distt. - Jhajjer, Haryana
- 2) 18/1, 18/2, G. I. D. C., Industrial Estate  
Kadi, - 382 715, Gujarat

**Registrar & Transfer Agent :**

Maheshwari Datamatics Pvt. Ltd.  
6, Mangoe Lane,  
Kolkata - 700 001

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## SCHABLONA INDIA LIMITED

NOTICE is hereby given that the 24<sup>th</sup> ANNUAL GENERAL MEETING of the Members of Schablona India Limited will be held at Somany Conference Hall of Merchants' Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 on **Tuesday, the 16<sup>th</sup> September, 2008 at 3.00 P.M.** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri G. L. Sultania, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

### SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification(s), the following Resolution:

#### 5. As an Ordinary Resolution

"RESOLVED THAT Shri Niranjn Kumar Goenka, who was appointed an Additional Director of the Company and who holds office as Director upto the date of this Annual General Meeting pursuant to the provisions of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received notice from a member, as required by Section 257 of the Companies Act, 1956, proposing his candidature for the office of director, be and is hereby appointed a Director of the Company, liable to retire by rotation."

By Order of the Board  
G. L. Sultania  
Chairman

New Delhi

Dated, the 23rd May, 2008

### NOTES:

1. A Member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on a poll, instead of himself. A Proxy need not be a member of the Company. Proxies, in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to item No. 5 of the accompanying Notice is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 8<sup>th</sup> September, 2008 to Tuesday, the 16<sup>th</sup> September, 2008 (both days inclusive).
4. Members/ Proxyholders are requested to bring their copy of Annual Report along with them at the meeting.
5. Members are requested to intimate to the Company, their query(ies), if any, on the Accounts and operations atleast 10 days before the meeting to keep the information ready at the meeting.
6. Members who hold shares in dematerialised form are requested to bring their Depository ID and Client ID Numbers for easier identification of attendance at the Annual General Meeting.
7. Members holding shares in physical form are requested to notify any change in the address and the Bank account particulars if any, quoting their Folio Numbers to the Registrar & Transfer Agent M/s. Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Kolkata - 700 001. Telephone No. 2243 5809/5029, Fax No. 2248 4787.
8. Members having multiple folios in the same order of name(s) may inform the Company for consolidation into one folio.

### Brief Resume and other Information in respect of the Director seeking re-appointment at the Annual General Meeting :-

Shri G. L. Sultania, aged about 62 years, is B.Com, FCA & FCS. He is associated with Company since its inception. He was Executive Director and Secretary of Hindustan Sanitaryware & Industries Limited. Shri G. L. Sultania is having in-depth knowledge of Financial Restructuring, Corporate Laws and Legal Compliances.

### Explanatory statement in respect of the Special Business pursuant to Section 173(2) of The Companies Act, 1956. Item No.5

The Board of Directors of the Company at its meeting held on 28<sup>th</sup> January, 2008 had appointed Shri Niranjn Kumar Goenka as an Additional Director of the Company with effect from 28<sup>th</sup> January, 2008. As such, he holds office upto the date of this Annual General Meeting under the provisions of Section 260 of the Companies Act, 1956 read with Article 104 of the Articles of Association of the Company. A notice from a Member under Section 257 of the Companies Act 1956 has been received by the Company, proposing the appointment of Shri Niranjn Kumar Goenka, as a Director of the Company. Shri Niranjn Kumar Goenka, aged about 43 years is a graduate in Commerce. He has over 20 years of experience in Finance and Secretarial. His long standing experience and knowledge will be useful to the Company. The Board recommends his appointment as a Director of the Company.

Except Shri Goenka, no other Director is concerned or interested in the said Resolution as set out in Item no.5 of the accompanying Notice.

By Order of the Board  
G. L. Sultania  
Chairman

New Delhi

Dated, the 23rd May, 2008

## SCHABLONA INDIA LIMITED

### DIRECTORS' REPORT

#### To the Members

Your Directors have pleasure in presenting their Twenty Fourth Annual Report together with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2008.

### ACCOUNTS

	31.03.2008 <u>Rs. / (000)</u>	31.03.2007 <u>Rs. / (000)</u>
Gross Profit for the year under Review	18697	8585
Less: Depreciation for the year	<u>2736</u>	<u>1722</u>
Profit for the year	15961	6863
Less : Provision for Income Tax (Net of MAT Credit)	1771	591
Less : Provision for Fringe Benefit Tax	334	240
Less : Deferred Tax Liability	<u>3663</u>	<u>843</u>
	10193	5189
Add : Prior period adjustments	<u>—</u>	<u>147</u>
	10193	5336
Add : Balance brought forward from earlier years	<u>18212</u>	<u>12876</u>
Surplus available for appropriation	<u>28405</u>	<u>18212</u>
<b>Appropriations</b>		
Proposed Dividend on Equity Shares	1580	—
Tax on Proposed Dividend	268	—
General Reserve	255	—
Balance Carried to Balance Sheet	<u>26302</u>	<u>18212</u>
	<u>28405</u>	<u>18212</u>

### DIVIDEND

Your Directors are pleased to recommend a dividend @ 12.50% on paid-up equity share capital of the Company.

### OPERATION

The sale of Ceramic Transfer Sheets during the year increased to Rs. 435.74 lacs from Rs. 263.61 lacs in the previous year, registering a growth of 65.30% and sale of Screen increased by 48.80% from Rs. 71.60 lacs to Rs. 106.52 lacs. Likewise the sale of Decorated Tiles increased to Rs. 1440.89 lacs from Rs. 653.76 lacs in the previous year, a growth of 120.40%.

### EXPANSION

To cater to the growing demand in western and southern regions also, your Company has set up a tile decoration plant at Kadi (Gujarat) at a total cost of around Rs. 107 lacs to manufacture about 350 square meters of decorated tiles per day. The commercial production at the said plant started with effect from 24<sup>th</sup> March, 2008.

### MARKET AND FUTURE PROSPECTS

#### Ceramic Transfer Sheets :

Ceramic transfer business is moving towards customized designing. Based on this your Company is exploring new business with a few glass and ceramic manufactures in the organized sector. Your Company is also exploring possibilities of its ceramic transfers being substituted for imports by certain existing and prospective customers. Your Company expects to maintain their growth in sale of ceramic transfers during the current year also.

#### Decorated Tiles :

The year once again witnessed rapid changes in design and consumption patterns for decorated tiles. The bigger size designer tiles have taken the larger share of the market. Being the pioneers in launching bigger format decorated tiles now supported by two fully operational plants, we expect good growth in sales during the current year also.

#### Decoration of crockery ware :

Your Company is also setting up its own decoration and firing facility for crockery ware using own manufactured ceramic transfer sheets. This facility is expected to be commissioned in the current year.

## SCHABLONA INDIA LIMITED

### AUDITORS' REPORT

All the items on which, comments have been made by the auditors in their report to the shareholders are self explanatory, as explained by way of notes to the accounts.

### DIRECTORS

Shri H. L. Somany resigned from the Board of the Company w.e.f. October 29, 2007 due to his advancing age. It was with great reluctance that the members of the Board agreed to accept his resignation. The Board placed on record the excellent, dynamic and visionary leadership provided by him through his tenure which enabled the Company to sustain. Under his Chairmanship, guidance and control, the Company has achieved new heights of success.

Shri N. Goenka was appointed as an Additional Director of the Company with effect from 28<sup>th</sup> January, 2008 and holds office up to the date of ensuing Annual General Meeting under Section 260 of the Companies Act, 1956 read with Article 104 of the Articles of Association of the Company. Notice has been received from a Member under Section 257 of the Companies Act, 1956, proposing candidature of Shri N. Goenka for the office of Director of the Company.

Shri G. L. Sultania, Director of the Company retires by rotation and, being eligible, offers himself for re-appointment.

### AUDITORS

M/s. Sanjeev Neeru & Associates, Chartered Accountants, Statutory Auditors of the Company, retire at the forthcoming Annual General Meeting and do not offer themselves for appointment. The Board had recommended to appoint M/s. A. K. Maheshwari & Associates, Chartered Accountants as statutory auditors of the Company for financial year 2008-09 subject to the approval of members at the ensuing Annual General Meeting.

### CORPORATE GOVERNANCE

A report on Corporate Governance along with Management Discussion & Analysis in terms of the Listing Agreement is annexed hereto and forms an integral part of this report.

### DELISTING

The Company's equity shares were de-listed from The Calcutta Stock Exchange Association Limited, as confirmed vide their letter dated 10th March, 2008, pursuant to the resolution passed by the Shareholders at their Annual General Meeting held on 19th September, 2003, however these shares of the Company have been allowed by the said Exchange to be traded under the "Permitted Category". The Company's equity shares, however, continued to be listed at the Bombay Stock Exchange Limited, having nationwide terminals.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, a statement showing particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is annexed hereto and forms part of this report.

### PARTICULARS OF EMPLOYEES

Information as required under Section 217(2A) of the Companies Act, 1956, read with Particulars of Employees Rules, 1975 in respect of Company's employees is not being given since no employee is covered under the clause.

### SECRETARIAL COMPLIANCE CERTIFICATE

Your Directors are pleased to enclose the Secretarial Compliance Certificate for the year 2007-08, as part of this Directors' Report, pursuant to the provision of the Section 383A of the Companies Act, 1956.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to material departures ;

## SCHABLONA INDIA LIMITED

- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year on 31<sup>st</sup> March 2008 and of the profit 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, 1956 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.

New Delhi  
Dated, the 23<sup>rd</sup> May, 2008

For and on behalf of the Board  
**G. L. Sultania**  
Chairman

### ANNEXURE TO THE DIRECTORS' REPORT

Additional information given as required under the Companies (Disclosure of the Particulars in the Report of the Board of Directors) Rules, 1988.

#### A) CONSERVATION OF ENERGY

- a) Energy Conservation measures taken :
  - i) Timely maintenance of electric motors. ii) Grouping in lighting systems changed to separate lighting system to enable the disconnection of power when not in use.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy :  
No additional investments are considered necessary at present.
- c) Impact of measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :  
Energy consumption vis-à-vis cost continue to be at the optimum level.
- d) Total energy consumption and energy consumption per unit of production :  
The Company is not covered under the list of specified industries.

#### B) TECHNOLOGY ABSORPTION

##### FORM - B

##### Research and Development (R & D)

- 1) Specific areas in which R & D carried out by the Company :
  - i) Induction of new highlighters in designer tiles.
  - ii) Development of new sizes and up-gradation of manufacturing process.
- 2) Benefits derived, as a result of the above R & D :  
Lower rejections, keeping pace with the updated international technology and better quality.
- 3) Future plan of action and expenditure on R & D :  
R & D will be continued in the areas mentioned under item no. 1 above as an ongoing process. Expenses incurred are charged to respective heads and not allocated separately.

##### Technology absorption, adaptation and innovation

Efforts made and benefits arrived :

Installation of new machineries to the existing manufacturing process resulted lower rejections and better quality produce.

#### C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

- A. Foreign Exchange Outgo -
- B. Foreign Currency Earned -

Rs./000  
6918  
NIL

New Delhi  
Dated, the 23<sup>rd</sup> May, 2008

For and on behalf of the Board  
**G. L. Sultania**  
Chairman

## SCHABLONA INDIA LIMITED

### MANAGEMENT DISCUSSION AND ANALYSIS

Operating results for the period, market and future prospects have been discussed in the Directors' Report. A further overview of Company's business by the management with a discussion on the Company's areas of strength and weakness, the opportunities that are available and the threats and concerns that are being experienced is given below.

#### Industry Structure & Development

Market condition for ceramic transfers (decals) has improved. Most of the small manufacturers have closed down their plants. The consumers are now demanding quality products. A large manufacture of Opal & Transparent Glass who was sourcing transfer sheets from outside has also started sourcing its requirements from your Company. Your Company continue to be the leader in production of ceramic transfers for glass and it is expected that use of ceramic transfers by the Glass Industry would increase in future.

With higher disposable incomes, knowledge of prevailing trends across the world through access to electronic and print media and cheap travels, the Indian consumer is more and more inclined towards stylish tiling concepts for their bathrooms and kitchens triggering good demand for high and decorated tiles. The tiles have therefore rapidly moving away from a purely hygiene product to lifestyle statement. Encouraged by this favourable market condition, the Company has set-up its another plant at Kadi (Gujarat) during the year thereby increasing capacity of decorated tiles division to 3,50,000 square meter per annum (previous year 2,50,000 square meter per annum).

#### Risk & Concerns

The Company's writ petition challenging the notice of acquisition of Company's plant land at Kassar for setting up an Industrial Zone is pending with Punjab & Haryana High Court. The plant was set up after obtaining the necessary permission for change of land use and the land is used by your Company for industrial purposes only. It is hoped that the matter will be settled amicably with the State Government and/or through the process of Court proceedings.

#### Internal Control Systems

Regular audit of systems & accounts of the Company is carried out by the Internal Auditor and it is ensured that Internal Control System are adequate and reliable and there is proper compliance of all regulations & obligations. It has also been ensured that all data necessary for an effective internal control and analysis are available at various levels of management. Your Company is also contemplating to obtain ISO 9001 certificate.

#### Human Resources & Industrial Relations

The Company continues to have cordial relations with its staff & workers who are continued to be trained to acquire and develop necessary skills for conducting business of the Company in a better way. The Company is employing close to 220 employees as on 31.03.2008. Industrial relations during the year continued to be cordial.

New Delhi

Dated, the 23<sup>rd</sup> May, 2008

For and on behalf of the Board

**G. L. Sultania**

*Chairman*



## SCHABLONA INDIA LIMITED

### SECRETARIAL COMPLIANCE CERTIFICATE

We have examined the registers, records, books & papers of M/s. SCHABLONA INDIA LIMITED as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum & Articles of Association of the Company for the year ended on 31st March, 2008. In our opinion and to the best of our information & according to the examinations carried out by us & explanations furnished to us by the Company, its officers & agents, we certify that in respect of aforesaid financial year :

1. The Company has kept & maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act & the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, West Bengal under the Companies Act, 1956 and the rules made thereunder. However, no forms or returns were required to be filed with the Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public Limited Company, provisions of Section 3(1)(iii) are not applicable, so comments are not required.
4. The Board of Directors duly met four times respectively on 18th May, 2007, 28th July, 2007, 29th October, 2007 and 28th January, 2008 in respect of which meetings proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Company has passed Board resolution by circulation on 23rd April, 2007, 10th December, 2007 and 22nd January, 2008.
5. The Company has closed its register of Members for transfer or other purposes during the above financial year from 1st September, 2007 to 15th September, 2007 (both days inclusive).
6. The Annual General Meeting for the financial year ended on 31st March, 2007 was held on 15th September, 2007 after giving due notice to the Members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the aforesaid financial year.
8. The Company has not advanced any loan to its Director and/or person or Firm or Company referred in the Section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act as and where required.
11. As there are no instances falling within the purview of Section 314 of the Act, the Company has not obtained approvals from the Board of Directors, Members or Central Government.
12. The Company has issued two new Share Certificate for 2053 Shares on account of consolidation during the financial year under review.
13. The Company has :
  - a) not made allotment of any Equity Shares during the year under review.
  - b) delivered all the certificates on lodgement thereof for transfer/transmission or any other purposes during the above financial year within statutory time limit as prescribed under various provisions of the Companies Act and as per listing agreement.
  - c) not required to deposit any amount in a separate bank account for dividend as no dividend was declared during the above financial year.
  - d) not required to post dividend warrants to any of its Members as no dividend was declared during the above financial year.
  - e) no amount lying outstanding in unpaid Dividend account or under any other head for more than seven years, which are required to be transferred to IEPF under Section 205C of the Act.
  - f) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was an appointment of additional Director during the year under review. There was no appointment of alternate Director or Director to fill casual vacancy during the above financial year.
15. The Company has not appointed any Managing Director/Whole time Director/Manager during the above financial year.
16. The Company has not appointed any Sole-selling Agent during the above year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such other authorities prescribed under the various provisions of the Act during the year under review.



**SCHABLONA INDIA LIMITED**

18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any Shares/Debentures/other Security during the above financial year.
20. The Company has not bought back Shares during the above financial year.
21. The Company has neither issued nor redeemed any redeemable preference Share and/or Debenture during the above financial year.
22. There was no transaction necessitating the Company to keep in abeyance the right to dividend, rights shares and bonus shares pending registration of transfer of Shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the above period under review.
24. The Company has borrowed secured loans from nationalized bank during the above financial year and the same are within the borrowing limits of the Company under Section 293(1)(d) of the Act.
25. The Company has not granted any loans and advances or given guarantee or provided securities in relation to loan given to other Bodies Corporate under Section 372A of the Act. Hence no entries have been required to made in the register kept for this purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the above financial year.
27. The Company has not altered the provisions of Memorandum with respect to the objects of the Company during the above financial year.
28. The Company has not altered the provisions of Memorandum with respect to name of the Company during the above financial year.
29. The Company has not altered the provisions of Memorandum with respect to Share Capital of the Company during the above financial year.
30. The Company has altered its Articles of Association during the above financial year as per Provisions of the Act.
31. There was no prosecution initiated against or show cause notices received by the Company during the above year for offence under the various provisions of the Act.
32. The Company has not received any money as security from its employees during the above financial year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with appropriate authorities pursuant to Section 418 of the Act during the aforesaid financial year.

Place : 9, Crooked Lane,  
Kolkata - 700 069  
Date : 23/05/2008

**FOR DROLIA & COMPANY**  
(Company Secretaries)  
(P K Drolla)  
Proprietor  
CP : 1362

ANNEXURE : A			ANNEXURE : B				
Registers maintained by the Company							
Sl. No.	Particulars	Section	Sl. No.	From No./Return	Filed under Section	Date of Filing	Whether filed within Statutory Time Period
1.	Register of Members	150	1.	Balance Sheet as at 31st March, 2007 in Form 23AC	220	20.09.07	Yes
2.	Directors Minutes Book	193	2.	Annual Return made upto 15.09.07 in Form 20B	159	08.11.07	Yes
3.	Shareholders Minutes Book	193	3.	Compliance Certificate for the year ended 31.03.07 in Form No. 66	383A	20.09.07	Yes
4.	Register of Directors	303	4.	Form 8 (For modification of charge)	125/127 130/135	22.02.08	Yes
5.	Register of transfer	-	5.	Form 8 (For modification of charge)	125/127 130/135	22.02.08	Yes
6.	Register of Director's Shareholding	307	6.	Form No. 32 (Appointment of Mr. Rakesh Kumar Borar as regular Director)	303(2)	26.10.07	No
7.	Register of Contracts	301	7.	Form No. 32 (Resignation of Mr. H. L. Somany)	303(2)	08.12.07	No
8.	Register of Charges	143	8.	Form No. 32 (Appointment of Mr. N. Goenka as Additional Director)	303(2)	09.02.08	Yes
9.	Register of Investments	372A	9.	Form 23 dated 15.09.2007	192	23.09.07	Yes

## SCHABLONA INDIA LIMITED

### CORPORATE GOVERNANCE REPORT

#### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance is aimed at the efficient and ethical conduct of its business and meeting its obligations to shareholders, stakeholders, Government and the Society at large.

#### **BOARD OF DIRECTORS**

As on date Board of Directors comprise of four Members consisting of one Independent Non-Executive Chairman and three Independent Non-Executive Directors. There were 4 (four) Board meetings during the year 2007-08 i.e. on 18 May, 28 July, 29 October in 2007 and 28 January in 2008. Details of the Directors by category, their attendance, other directorship including Membership/Chairmanship of Board Committees and No. of shares held are:-

Directors	Category	No. of Meetings held	No. of Board Meetings attended	Attended last AGM	Number of Directorships in other Companies (\$)	No. of Committee positions held in Companies		No. of Shares held
						Chairman	Member	
Shri H. L. Somany (*)	Promoter	3	3	YES	3	-	-	339634
Shri G. L. Sultania(**)	Independent	4	4	YES	12	5	5	500
Shri Anirudh Kabra	Independent	4	4	NO	-	-	2	-
Shri R. K. Borar	Independent	4	3	NO	-	-	1	3000
Shri N. Goenka (#)	Independent	1	-	YES @	8	-	4	-

(\*) Chairman of the Board till conclusion of Board Meeting held on 29<sup>th</sup> October, 2007 and thereafter resigned with immediate effect.

(\*\*) Chairman with effect from 29<sup>th</sup> October, 2007, upon conclusion of the Board Meeting held on that date.

(#) Appointed as an additional director w.e.f. 28<sup>th</sup> January, 2008

(\$) Excluding directorship in Private Limited Companies.

(@) Attended as representative of a Corporate Member of the Company.

#### **Code of Conduct :**

The Board has laid down a code of conduct for all its Board Members and senior Management personnel, as approved by the Board and the same is being abided by all of them. The Company has obtained the confirmation of the compliances to the said effect from Shri G. L. Sultania, Chairman of the Company.

#### **COMMITTEES OF THE BOARD**

##### **AUDIT COMMITTEE**

The Audit Committee comprises of following Members all of them being Non-Executive Independent Directors of the Company and they attended its meetings held on 18 May, 28 July, 29 October in 2007 and 28 January in 2008:-

Name of Members	No. of meetings held	No. of meetings attended	Status
Shri G. L. Sultania	4	4	Chairman
Shri H. L. Somany (*)	3	3	Member
Shri Anirudh Kabra	4	4	Member
Shri R. K. Borar (#)	-	-	Member
Shri N. Goenka (#)	-	-	Member

(\*) Resigned w.e.f. 29<sup>th</sup> October, 2007.

(#) Appointed w.e.f. 28<sup>th</sup> January, 2008 by the Board.