

SCHABLONA INDIA LIMITED

Directors :

Mr. G. L. Sultania, Chairman
Mr. Anirudh Kabra
Mr. Rakesh Kumar Borar
Mr. A. K. Beejawat
Mr. N. Goenka

Auditors :

A. K. Maheshwari & Associates
Suite # 4G, Uppals, M6 Plaza
Jasola District Centre
New Delhi - 110 076

Bankers :

State Bank of India
HDFC Bank Limited

Resistered Office :

2, Red Cross Place
Kolkata - 700 001
Phone No. : 033-22487406 / 07
E-mail : silinvestors@schablona.in
Website : www.schablona.in

Works :

- 1) P. O. - Kassar, Bahadurgarh - 124 507
Dist. - Jhajjar, 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 29th ANNUAL GENERAL MEETING of the Members of Schablona India Limited will be held at Jhaharia Committee Room of MCC Chamber of Commerce & Industry, 15-B, Hemanta Basu Sarani, Kolkata - 700 001 on Wednesday, the 11th September, 2013 at 11-30 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R. K. Borar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. G. L. Sultania, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

Place : Noida
Date : the 29th May, 2013

By Order of the Board
N. Goenka
Director

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. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, the 4th September, 2013 to Wednesday, the 11th September, 2013 (both days inclusive).
3. Members who have not encashed their dividend warrants for the year ended 31st March, 2008 to 31st March, 2012 may write to the Company or RTA for revalidation of the same.
4. Members/Proxyholders are requested to bring their copies of Annual Report along with them at the meeting.
5. Members are requested to write to the Company, their query(ies), if any, on the Accounts and operations of the Company atleast 10 days before the meeting to keep the information ready at the meeting.
6. Members who hold shares in dematerialized 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 changes in their address and the Bank Account particulars, if any, quoting their Folio Number(s) to the Registrar & Share Transfer Agent M/s. Maheshwari Datamatics Private Limited, 6, Mangoe Lane, Kolkata - 700 001. Telephone No. (033) 2243 5809/5029, Fax No. (033) 2248 4787.
8. Members having multiple folios in the same order of name(s) may inform the Company for consolidation into one folio.
9. The Securities and Exchange Board of India (SEBI) has mandated to furnish a copy of PAN Card in all the cases of transfer of shares in physical form.

BRIEF RESUME AND OTHER INFORMATION PURSUANT TO CLAUSE 49 (IV) (G) OF THE LISTING AGREEMENT IN RESPECT OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Mr. R. K. Borar, aged about 47 years, is B.Com (Hons.), ACS and MBA (U.K.). He has over 20 years of experience in Investment Banking and also in Corporate Finance and Fund Management. He is a member of Audit Committee of the Company.

Mr. G. L. Sultania, aged about 67 years is B.Com., FCA & FCS. He is associated with the Company since its inception. He was Executive Director and Secretary of HSIL Limited. Mr. G. L. Sultania is having in-depth knowledge of Financial Restructuring, Corporate Laws and Legal Compliances. He is Chairman of Audit Committee and Shareholders'/Investors' Grievance Committee of the Company. He is on the Board of HSIL Limited, Somany Ceramics Limited, SKP Securities Limited and many other Companies.

SCHABLONA INDIA LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their Twenty-Ninth Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2013.

	(Rs. in Lacs)	
ACCOUNTS	31.03.2013	31.03.2012
Gross Sales	3967.00	4591.50
Less: Excise Duty	176.10	201.11
Net Sales	3790.90	4390.39
Gross Profit/(Loss) for the year under review	(62.30)	265.77
Less: Depreciation for the year	63.70	68.75
Profit/(Loss) for the year	(126.00)	197.02
Less: Provision for Income Tax	-	65.00
Add : Deferred Tax Assets	39.68	11.38
Less: Income Tax for earlier years	-	6.32
Profit/(Loss) after Income Tax	(86.32)	137.08
Add: Balance brought forward from earlier years	624.33	541.62
Surplus available for appropriation	538.01	678.70
Appropriations		
Proposed Dividend on Equity Shares	-	25.27
Tax on Proposed Dividend	-	4.10
Transferred to General Reserve	-	25.00
Balance Carried to Balance Sheet	538.01	624.33
Total	538.01	678.70

DIVIDEND

In view of losses for the year, your Directors do not recommend dividend on equity shares for the year under review.

GENERAL DESCRIPTION

Your Company has been through tough time due to disruptive technological changes in decorative tiles Industry enabling mainstream tiles giants to manufacture decorative tiles themselves. Thankfully a reversal in the trends is in sight, the market is slowly coming back to third fired tiles, the magic of Digitally printed highlighters is waning, the limitations of four color printing is becoming obvious and visible. On an optimistic note it can be said that the worst is over, and the second half of the current financial year is expected to deliver better results.

OPERATION

Transfer division recorded a growth in revenue by 15.25% i.e., from Rs. 756.28 lacs to Rs. 871.58 lacs.

Decorated Tile division has registered a de-growth to an extent of 18.95%, driven primarily by the disruptive technological changes forcing unfavorable trends against third fired decorated tiles. The Company has braced itself with a new range of products which are being launched every month and it is expected that in synergy with the trends these products will continue to bring increased revenues and profits to the Company.

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MARKET AND FUTURE PROSPECTS

Ceramic Transfer Sheets (Decals)

Ceramic transfer business faced challenges owing to direct printing on cylindrical ware by glassware manufacturers. By adding new customers and reaching out to small buyers through distributors and agents the Company could achieve a healthy growth. Your Company was able to maintain its hold on the premium segment of transfers market through its Gold and Platinum based specialized decals.

With a renewed focus on creativity and innovations in designs the Company is confident of maintaining the growth this year as well.

Decorated Tiles

The market trend towards digitally printed highlighters, motifs and murals dominated the tile market leaving little scope for the third fire decoration units, yet the measures undertaken by your Company have enabled it to stay in the game, fortunately as was expected the market is shifting back in favor of third fired decorated tiles.

This vertical is expected to show a healthy growth during current financial year onwards.

Trading

Keraspana is growing at a healthy pace and getting established as a brand in its own right.

For a proper presentation of the brand and facilitating display and sales the Company has started work on Schablona lounges at prominent cities and towns all over India. These lounges will exclusively deal in Schablona products and Company hopes to establish Keraspana as a premium brand of Tiles. The allied activities in Trading Vertical like Pencils, Resin borders, mosaics, sand blasting, sandwiched glass highlighters, toughened glass highlighters also continued successful.

PUBLIC DEPOSIT

Your Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956.

AUDITORS' REPORT

All the items on which, comments have been made by the Auditors in their report to the Members are self explanatory, as explained by way of notes to the accounts and therefore needs no further explanation by the Board.

DIRECTORS

Mr. R. K. Borar and Mr. G. L. Sultania, Directors of the Company retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offer themselves for re-appointment.

AUDITORS

M/s. A. K. Maheshwari & Associates, Chartered Accountants, Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and offer themselves for re-appointment and submitted requisite certificate pursuant to Section 224(1B) of the Companies Act, 1956.

CORPORATE GOVERNANCE

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

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.

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PARTICULARS OF EMPLOYEES

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

SECRETARIAL COMPLIANCE CERTIFICATE

Your Directors are pleased to annex the Secretarial Compliance Certificate for the year 2012-13, forming part of Directors' Report, pursuant to the provisions of 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, if any ;
- (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 31st March, 2013 and of the 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, 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.

ACKNOWLEDGEMENT

Your Directors acknowledge with sincere gratitude the co-operation and assistance extended by the Central and State Governments, Financial Institutions, Banks, Customers, Dealers, Vendors and Employees of the Company.

Place : Noida
Date : the 29th May, 2013

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

SCHABLONA INDIA LIMITED

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) Low Temperature Decal (Cold Transfers).
 - ii) Induction of new highlighters in designer tiles.
 - iii) 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 derived :

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

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Rs./Lacs

A. Foreign Exchange Outgo	43.86
B. Foreign Currency Earned	7.48

Place : Noida
Date : the 29th May, 2013

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 are given below.

Industry Structure & Development

Though Construction Industry continues to grow, the advent of digital printing caused a shift in trend from third fired products to on line products from mainline tile companies, driven by ignorance on the part of customers these products fetched good margins to the traders but, as competition is heating up and margins eroding, the better lot of dealers in quest of differentiating their offering are returning towards third fired products and a reversal in trends is being witnessed, your Company is preparing with gusto to ride this wave of change.

The trading vertical continues to grow but there is a huge pressure on margins, this division is significantly contributing to better utilization of decorative tile manufacturing facility. Brand "Keraspana" is gaining acceptance and visibility more than ever.

The transfer division has improved its performance on expected lines, new markets have been developed, new customers have been added, new products i.e. glass highlighter range is growing. With a continued focus and thrust on creativity Schablona maintains its pull amongst the Bone china, porcelain, and Opal glass crockery manufacturers as always.

In spite of setbacks that disruptive technological changes have caused to the Company it is fighting back with full might and is all set for a comeback this financial year.

Risk Factors and its Mitigations

- **Obsolescence of Designs:** Designer Tile being a fashion product, design obsolescence is a burning issue for this business. The Company is organizing itself to go mostly for made to order manufacturing to combat this problem, and is strengthening its forecasting methods to be more closer and in sync with market changes.
- **Rising Cost of Inputs, Energy & Transportation:** All the three factors have a major bearing on the profitability; Company is taking effective steps towards improvements in Efficiency, Cost cutting and price adjustments wherever possible.
- **Competition with Un-Organized Sector:** This sector poses threats primarily at the entry level bulk selling products thus impacting topline, the Company is working to fight this challenge by leveraging its capabilities to produce better designs through its state of the art studios and delivering high quality products using advanced machineries at competitive prices.

Internal Control Systems

Budgetary system of control stands implemented and all efforts for full compliances are being made. An internal group of department heads working as Schablona Strategic Group examines, discusses every new initiative or expansion and suitable decision is taken thereafter. Regular audit of systems & accounts of the Company is carried out by the Internal Auditor and it is ensured that Internal Control Systems 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.

Human Resources & Industrial Relations

The Company continues to have cordial relations with its staff & workers who are continuously being trained to acquire and develop necessary skills for conducting business of the Company in a better way. The Company is employing close to 228 employees as on 31.03.2013. Industrial relations during the year continued to be cordial.

Place : Noida
Date : the 29th May, 2013

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

SCHABLONA INDIA LIMITED

SECRETARIAL COMPLIANCE CERTIFICATE

CIN NO. of the Company : L51109WB1983PLC036899

Nominal Capital : Rs. 5,00,00,000/-

Paid up Capital : Rs. 1,26,36,860/-

To,

The Members

SCHABLONA INDIA LIMITED

2, Red Cross Place, Kolkata - 700 001

We have examined the various registers, records, books & papers of M/S. SCHABLONA INDIA LIMITED (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the Rules made there under and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended on 31st March, 2013. In our opinion & 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 there under 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 Ministry of Corporate Affairs under the Companies Act, 1956 and the Rules made there under. 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, restriction clauses mentioned in Section 3(1)(iii) of the Act are not applicable.
4. The Board of Directors duly met 4(four) times respectively on 26th May, 2012, 13th August, 2012, 10th November, 2012 & 6th February, 2013 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 not passed any Board resolution by circulation during the year under review.
5. The Company has closed its Register of Members for transfer or other purposes during the above financial year from 15th September, 2012 to 28th September, 2012 (both days inclusive).
6. The Annual General Meeting of the Company for the financial year ended on 31st March, 2012 was held on 28th September, 2012 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 loan to its Director and/or person, 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 necessary.
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 3 new Share Certificates for 1200 Shares on account of loss of original Share Certificate during the financial year under review.
13. The Company has:
 - (a) not made allotment of any Equity Share 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) declared dividend for the financial year ended on 31.03.2012 and has paid dividend amount to all the eligible Members of the Company as per provisions of the Companies Act, 1956. The Company has deposited the amount of dividend in a separate bank account within statutory time period. The Company issued dividend warrants immediately after the declaration.
 - (d) posted dividend warrants to all of its Members within prescribed time limit.
 - (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 no appointment of additional Director, 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.

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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.
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 there under.
19. The Company has not issued any Share/Debenture/other Security during the above financial year under review.
20. The Company has not bought back any Share during the above financial year.
21. The Company has neither issued nor redeemed any redeemable preference share/debenture.
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 financial year under review.
24. The amount borrowed during the financial year by the Company from Bank were within the limits prescribed under Section 293(1)(d) of the Companies Act, 1956.
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 be 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 not altered its Articles of Association during the above financial year.
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.

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

Place : 9, Crooked Lane,
Kolkata - 700 069
Date : 29th May, 2013

ANNEXURE - 'A'			ANNEXURE - 'B'				
Register as maintained by the Company			Forms and returns as filed by the Company with the Ministry of Corporate Affairs during the financial year ended on 31st March, 2013				
Sl. No.	Particulars	Section	Sl. No.	Form No. / Returns	Filed under Section	Date of filing	Whether filed within statutory time period
1.	Register of Members	150	1	Balance Sheet and Statement of Profit and Loss as at 31st March, 2012 in e forms 23ACXBRL & 23ACAXBRL	220	21/12/2012	Yes
2.	Directors Minutes Book	193	2	Compliance Certificate for Financial Year ended 31st March, 2012 in e form 66	383A	29/09/2012	Yes
3.	Shareholders Minutes Book	193	3	Annual Return made upto 28/09/2012 in e form 20B	159	19/11/2012	Yes
4.	Register of Directors	303	4	Special Resolution passed on 28/09/2012 in e form 23 u/s 309(4) & 309(7)	192	29/09/2012	Yes
5.	Register of Transfer	-	5	Statement of Unclaimed and Unpaid Dividend as on 03/09/2011 in e form 5INV	-	30/07/2012	Yes
6.	Register of Directors' Shareholding	307	6	Statement of Unclaimed and Unpaid Dividend as on 28/09/2012 in e form 5INV	-	30/11/2012	Yes
7.	Register of Contracts & Agreements	301					
8.	Register of Charges	143					
9.	Register of Investments	372A					
10.	Shareholders' Attendance Register	-					

SCHABLONA INDIA LIMITED

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an integral part of the Company's Management and Business philosophy. Corporate Governance envisages the attainment of the highest levels of transparency, accountability and business prosperity with object of realising long term value for shareholders and all other stakeholders.

BOARD OF DIRECTORS

As on date Board of Directors comprises of five Members consisting of one Independent Non-Executive Chairman and Four Independent Non-Executive Directors. There were 4 (four) Board meetings during the year 2012-13 i.e. on 26 May, 13 August, 10 November in 2012 and 06 February in 2013. Details of the Directors by category, their attendance, other directorship including Chairmanship/Membership of Board Committees and number 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	
Mr. G. L. Sultania	Independent	4	4	Yes	11	4	5	500
Mr. Anirudh Kabra	Independent	4	3	No	-	-	2	-
Mr. R. K. Borar	Independent	4	4	No	-	-	1	3,000
Mr. N. Goenka	Independent	4	4	Yes	6	1	2	-
Mr. A. K. Beejawat	Independent	4	3	No	1	-	-	-

(\$) Excluding directorship in Private Limited Companies, other than those which are subsidiary of Public Limited Company.

(#) Excluding Chairmanship/Membership in Share Transfer Committee and Selection/Remuneration Committee.

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 Mr. G. L. Sultania, Chairman of the Company which is annexed hereto in this report hereafter.

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

The Audit Committee comprises of following Members and all of them are Non-Executive Independent Directors of the Company and they attended its meetings held on 26 May, 13 August, 10 November in 2012 and 06 February in 2013 and the Chairman of the Audit Committee attended the last Annual General Meeting held on 28th September, 2012 :-

Name of Members	No. of meetings held	No. of meetings attended	Status
Mr. G. L. Sultania	4	4	Chairman
Mr. Anirudh Kabra	4	3	Member
Mr. R. K. Borar	4	4	Member
Mr. N. Goenka	4	4	Member

Terms of reference

Terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the Stock Exchanges that inter-alia include review of reports of Internal and Statutory Auditors and ensure that suitable follow-up actions are taken, review of Quarter and Annual Financial Statements, review of adequacy of internal control systems, review of significant findings, adequacy of Internal Audit functions and review of the financial and risk management policies, recommendation for appointment of Statutory Auditors, Internal Auditors and fee payable to them etc.