

TWENTY FOURTH ANNUAL REPORT 2011 - 2012



Shree Pacetronix Ltd.

Technology Serving Humanity

An ISO-9001 Company

CHAIRMAN & MANAGING DIRECTOR	:	Shri Atul Kumar Sethi
WHOLE TIME DIRECTOR	:	Smt. Amita Sethi, Shri Vikas Gokhale
NON EXECUTIVE INDEPENDENT DIRECTORS	;	Shri Sushil Patni Shri Anil Rath Shri Praveen K. Badjatya
BANKER	:	BANK OF INDIA Santha Bazar, INDORE
AUDITORS	:	M/s S. R. Naredi & Co. Chartered Accountants 204 Manas Bhawan Extn. 11, R. N. T. Marg. INDORE - 452001
REGISTERED OFFICE & WORKS	:	Plot No. 15, Sector II, Industrial Area Pithampur, Dist. Dhar (M.P.) 454775 Phone: 07292-411105, Fax: 07292-400418 Email:info@pacetronix.com
SHARE TRANSFER AGENT	:	Ankit Consultancy Private Limited 60, Electronics Complex, Pardeshipura, Indore (M.P.) -452001 Phone : 0731-3198601 / 602 E Mail ID : mail@ankitonline.com

N O T I C E

NOTICE is hereby given that 24th Annual General Meeting of the Members of **SHREE PACETRONIX LIMITED** will be held on Saturday, 29th September, 2012 at 10:30 a.m at the registered office of the company to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2012 and Profit and Loss Accounts for the year ended on that day together with the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mrs. Amita Sethi retires by rotation and being eligible offers her for re-appointment.
3. To appoint a Director in place of Mr. Sushil Patni, who retires by rotation and being eligible, offers him for re-appointment.
4. To consider re-appointment of the Auditors and fixing up of their remuneration.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as Ordinary Resolution:
“**RESOLVED THAT** pursuant to the provisions of section 257 of the Companies Act, 1956, and all other applicable provisions, if any, Mr. Vikas Gokhale, who was appointed as an Additional Director pursuant to section 260 of the Companies Act, 1956 be and is here by appointed as a director of the Company liable to retire by rotation.”
6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as special Resolution
“**RESOLVED THAT** pursuant to the provisions of Section 269, 309, 310, Schedule XIII and other applicable provisions of the Companies Act, 1956, consent of members of the Company be and is hereby accorded to appoint Mr. Vikas Gokhale as Whole time Director of the Company for a period of three years commencing from the 30th January, 2012 on the Remuneration of ₹ 70,000 /- PM with an annual increment @ 10% inclusive of perquisites within the prescribed limits as the Companies Act, 1956.

*By order of the Board of Directors of
Shree Pacetronix Limited*

PLACE: Indore
DATE: 31.08.2012

Atul Kumar Sethi
Chairman & Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. The Members are requested to:
 - a. Intimate changes, if any, in their registered addresses immediately.
 - b. Quote their ledger folio number in all their correspondence.
 - c. Hand over the enclosed attendance slip, duly signed in accordance with their specimen signatures registered with the company for admission to the meeting place.
 - d. Bring their Annual Report and Attendance Slips with them at the AGM venue.
 - e. Send their Email address to us for prompt communication and update the same with their D.P to receive softcopy of the Annual Report of the company.
3. The Register of Members and Share Transfer Books of the company shall remain closed from 28/09/2012 to 29/09/2012 (both days inclusive).
4. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Directors.
5. Members seeking any information are requested to write to the company at least 10 days before the date of the AGM to enable the management to reply appropriately at the AGM.
6. Members are requested to notify immediately any change in their address and E – Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at M/s Ankit Consultancy Pvt. Ltd.60, Electronics Complex Pardeshipura, Indore (M.P) 452001.
7. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting

**DETAILS OF DIRECTOR SEEKING APPOINTMENT/REAPPOINTMENT IN THE
ENSUING ANNUAL GENERAL MEETING**

Name of Directors	Amita Sethi	Sushil Patni
Date of Birth	01.06.1966	20-10-1952
Date of Appointment	11.01.1988	30-04-2002
Expertise/ Experience in Specific functional areas	Having 14 years experience in Management of Industrial Undertaking	Having 10 years experience in Management of Industrial Undertaking
Qualification	MA	B. Com
No. of Equity Shares held	95580	NIL
List of outside Company directorship held	1. Shree Coratomic Limited	1. Shree Coratomic Ltd. 2. Angel Trade links Ltd.
Directorship held in other Public Companies (excluding foreign companies and section 25 Companies)	NIL	NIL
Chairman / Member of the Committees of the Board of Directors of the Company	NIL	Chairman: 1. Audit Committee 2. Remuneration Committee Member: 1. Shareholders'/Investors' Grievance Committee

DIRECTORS' REPORT

To

The Members of

Shree Pacetronix Ltd

The Directors submit the Annual Report of the Company along with the audited financial statements for the financial year ended March 31, 2012.

FINANCIAL RESULTS

Particulars	(₹ in Lacs)	
	2011-12	2010-11
Revenue from operations	676.44	555.44
Other Income	9.32	5.28
Operating Expenditure	591.65	522.95
Interest & Depreciation	92.61	82.30
Profit before Extra Ordinary Items	1.50	-44.53
Add- Provision Written back	Nil	12.43
Profit before Tax	1.50	-32.10
Less-Provision for Tax	1.06	9.47
Profit After Tax	0.44	-22.63

DIVIDEND:

During the year under review your Directors do not recommend any dividends for the financial year due to inadequate profit

COMPANY'S PERFORMANCE & FUTURE OUTLOOK

In the financial year 2011-12, the company continued its strong growth momentum across major markets; the company recorded a total turnover of ₹ **676.44 Lacs** in current year against a previous turnover of ₹ **555.44 Lacs.**, due to increase in sales in the current year the Profit after tax of the company turned into positive which is the growth sign of the company.

The broad health care division has been witnessing a rapid growth and technological improvements varying from sector to sector since the past 3-5 years. The evolution of cardiac devices has opened new vistas in the health care industry. Growth rate exhibited by the cardiac devices industry, even during the recession years, confirms the positive growth prospects going ahead. Global Cardiac Pacemakers market forecasts to reach at US\$5.1 billion by 2015 at a CAGR of 11% during the analysis period 2009-2015. On a global scale, projections for External Pacemakers market value indicate 40% by 2015 leaving the rest of the market to the implantable pacemakers.

Your directors are pleased to inform that the economic condition of your Company is improving and we are able to create value with continuous increase in profitability and operating margins year after year. Ambitious expansion plans are under way which will enable your company to continue its journey on the growth path.

DIRECTORATE

In term of the provision of the Company Act, 1956 Smt. Amita Sethi and Shri Sushil Patni would retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible offer themselves for reappointment, hence approval of the members is being sought for the re-appointment, and Shri Vikas Gokhale has been appointed as the additional Director on 30th January, 2012 and is further appointed as the Whole Time Director of the company subject to approval of members in the ensuing General Meeting. There is no other change in the composition of Board of Directors of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956, and based on the representation received from the operating management, the Directors hereby confirm that:

- The financial statements are in full conformity with the requirements of the Companies Act, 1956, and applicable accounting standards have been followed along with proper explanation relating to material departure.
- The directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the company for the year under review.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the Annual Accounts for the financial year ended 31st March 2012 on going concern basis.

AUDITORS

M/s S. R. Naredi & Co. Chartered Accountants, Indore Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting. They have signified their willingness to accept re-appointment and have further confirmed their eligibility under section 224 (1B) of the Companies Act, 1956. The observations of the Auditors made in their Auditors' Report are suitably explained in the Notes to the Accounts.

ENERGY CONSERVATION AND OTHER REPORTING U/S 217(1)(e)

The details of Energy Conservation in terms of section 217 (1) (e) of the Companies Act, 1956, are enclosed forming part of this report as Annexure – 1.

PUBLIC DEPOSITS

During the year, the Company has not accepted any public deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

COMPLIANCE CERTIFICATE

The Company has received the Compliance Certificate form the Practicing Company Secretary which is forming part of the report of the Board of Directors as Annexure - 2

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis report covering the matters listed in Clause 49 of the Listing Agreement for the Year under review is given as separate statement in the Annual Report as Annexure- 3.

CORPORATE GOVERNANCE

A report on corporate governance is enclosed containing details as required by the listing agreement which is forming part of the report of the Board of Directors as Annexure - 4.

SUBSIDIARY COMPANY

At the end of the financial year under review, your Company had the one subsidiary company namely Shree Coratomic Limited. The Ministry of Corporate Affairs, Government of India has issued a Circular No.2 / 2011 dated 8th February 2011 granting general exemption to Companies under section 212 (8) from attaching the documents referred to in section 212 (1) pertaining to its subsidiaries, subject to approval by the Board of Directors of the Company and furnishing of certain financial information in the Annual Report.

The Board of Directors of the Company have accordingly accorded approval to the Company dispensing with the requirement of attaching to its Annual Report the annual audited accounts of the Company's subsidiaries. Accordingly, the Annual Report of the Company does not contain the individual financial statements of these subsidiaries, but contains the audited consolidated financial statements of the Company, its subsidiaries and associate. The Annual Accounts of these subsidiary companies and the related detailed information will be made available to the shareholder seeking such information at any point of time. The annual accounts of the Subsidiary Companies will also be kept for inspection by any shareholder at its registered / corporate office and that of the concerned subsidiary companies. The statement pursuant to the approval under section 212 (8) of the Companies Act, 1956 is annexed together with the Annual Accounts of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared as per the Accounting Standard AS21 and Accounting AS23, consolidating the Company's accounts with its subsidiaries and an associate have also been included as part of this Annual Report.

HUMAN RESOURCES

The relations with the employees continued to be cordial and satisfactory throughout the year. Your Directors wish to place on record their deep sense of appreciation for the devoted services of all employees of the Company for their sustained efforts in improving the operational efficiencies.

PARTICULARS OF EMPLOYEES

None of the employees, of the Company is covered under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and amendments thereto from time to time.

ACKNOWLEDGEMENTS

Your directors place on record their sincere appreciation for the co-operation extended to the company by the lending institution and banks and for the devoted performance by company's entire staff & associates.

For and on behalf of the Board of Directors of
SHREE PACETRONIX LIMITED

Place: Indore
Date: 31st August, 2012

ATUL KUMAR SETHI
Chairman & Managing Director

Annexure - 1

Information pursuant to 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 forming part of the Directors' Report for the year ended 31st March 2012.

ANNEXURE TO THE DIRECTORS' REPORT

(As required under section 217 (1) (e) of the Companies Act, 1956)

I. CONSERVATION OF ENERGY

The Company continued its efforts to conserve energy by installing various equipments and utilities. Regular inspection of such equipments has been carried out. The above measures have resulted in controlling of energy consumption.

FORM – A

Form for disclosure of particulars with respect to conservation of energy.

A. POWER & FUEL CONSUMPTION

	2011-12	2010-11
1 Electricity		
(a) Purchased Units (Nos.)	129350	115435
Total Amount (Rs.)	₹ 784437	₹ 557708
Rate/Unit (Rs.)	₹ 6.06	₹ 4.83
(b) Own Generation		
(i) Through diesel Generator	NIL	NIL
Units (Nos.)	NIL	NIL
Units/litre of diesel oil (Nos.)	NIL	NIL
Cost/Unit (Rs.)	NIL	NIL
(II) Through steam		
Turbine/generator	NIL	NIL
2 Coal	NIL	NIL
3 Furnace Oil	NIL	NIL

B. CONSUMPTION PER UNIT OF PRODUCTION

	2011-12	2010-11
Production of Pacemakers (Nos.)	2424	1949
Electricity (Units)	₹ 53.36	₹ 59.23
Furnace Oil	NIL	NIL
Coal	NIL	NIL

II. TECHNOLOGY ABSORPTION**FORM – B**

Form for disclosure of particulars with respect to absorption.

RESEARCH AND DEVELOPMENT (R & D)

1	Specific areas in which R & D carried out by the Company.	The Company is developing various components in-house.
2	Benefits derived as a result of the above R & D	Reducing dependence on the import and improvement in the quality.
3	Future plan of action.	To continue R & D for new products & indigenization.
4	Expenditure on R & D.	Charged to respective head of accounts.

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The efforts have been made towards Technology absorption & adoption of Technology received from M/s. Bio-Pace Technology Inc., USA for the manufacture of Cardiac Pacemakers.

Benefits derived as a result of above efforts i. e. product improvement, cost reduction, product development, and import substitution etc. in the manufacturing of Cardiac pacemaker

In case of Imported Technology (Imported during last 18 years reckoned from beginning of the financial year) following information be furnished:

(a)	Technology imported	IN FULL
(b)	Year of import	1992-93
(c)	Has Technology been fully absorbed ?	Yes
(d)	If not fully absorbed areas where this has not taken place, reasons thereof & future plan of action.	N.A.

III. FOREIGN EXCHANGE EARNINGS AND OUT GO

(₹ in Lacs)

	2011-12	2010-11
1 Foreign Exchange earned		
- FOB Value of Exports	101.67	49.73
- Job Work	0.00	0.00
2 Foreign Exchange used : CIF Value of import of		
- Raw Materials	160.15	127.01
- Capital Goods	0.00	5.97
- Traded Goods	0.00	0.00
3 Foreign Travels		
- Directors & Others	14.35	7.18

Annexure - 2

COMPLIANCE CERTIFICATE
[Rule 3 of Companies (Compliance Certificate) Rules, 2001]

CIN: L33112MP1988PLC004317

Authorised Capital: ₹ 5,00,00,000/-

Paid-up Capital: ₹ 3,59,94,000/-

To,
The Members,
SHREE PACETRONIX LIMITED
PITHAMPUR

I have examined the registers, records, books and papers of **SHREE PACETRONIX 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 and Articles of Association of the Company for the financial year ended on 31st March, 2012 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its directors and officers, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and 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 Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a Limited Company, comments is not required.
4. The Board of Directors duly met 5 times in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company being a listed company closed its Register of Members on 29th September, 2011 to 30th September, 2011 under Section 154 of the Act.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 30th September 2011 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. The Company has not held any Extra-ordinary General Meeting during the financial year under review.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into contracts in contravention of the provisions of section 297 of the Act.
10. The Company has complied with the provisions relating to register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or Central Government, as the case may be.
12. The Company has issued duplicate certificates during the financial year by the registrar and transfer agent of the Company time to time in compliance with the provisions of the Companies Act, 1956 read with the listing agreement.
13. The Company has
 - i) delivered all the share certificate of securities on allotment as well as transfer of shares during the year in accordance with the provisions of the Act.
 - ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii) not posted warrants to any member of the Company as no dividend declared during the financial year.
 - iv) was not required to transfer any amount to the Investor Education & Protection Fund as there was no amount due for transfer to the above said account relating to unpaid dividend, application money due for refund, matured deposits, matured debentures and interest accrued thereon as remain unpaid or unclaimed for a period of Seven years.
 - v) duly complied with the requirements of section 217 of the Act.
14. The Board of directors of the company is duly constituted. There was appointment of Shri Vikas Gokhale as Additional director of the Company on Board Meeting held on 30.01.2012 and there was no other appointment of, alternate directors and directors to fill casual vacancies during the financial year.
15. The Company has appointed Shri Vikas Gokhale as a Whole-time Director for a period of 3 years during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company has not been required to obtain any approval of the Central Government, Company Law Board, Regional Director and/or such 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 Equity Shares during the financial year.

20. The Company has not bought back any shares during the financial year.
21. The Company has no preference shares or debentures.
22. The Company has not declared dividend nor has issued any rights shares and bonus shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has borrowed the loan in Compliance of the Section 293(1) (d) of the Act.
25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the financial year.
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 year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The company has not altered its Articles of Association during the financial year
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with the prescribed authorities pursuant to Section 418 of the Act.

Signature :**Place : INDORE****Name of the Company Secretary : ASHISH GARG****Date : 31.08.2012****F.C.S No. 5181, C.P. No. 4423****Annexure A****Registers as maintained by the Company**

1. Register of Share Transfers.
2. Register of Charges under Section 143.
3. Register of Members under Section 150.
4. Registers & Returns kept at the Registered Office viz Annual Returns under Section 163.
5. Minutes Book of Board Meeting and General Meeting under Section 193.
6. Books of Accounts under Section 209
7. Register of Contracts under Section 301
8. Register of Directors, Managing Director, Manager and Secretary under Section 303
9. Register of Director's Shareholdings under Section 307
10. Register of Inter Corporate Investments.
11. Register of loans and Investments.

Annexure B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2012.

Sr. No.	Form No. / Return	Filed under section	For	Date of filing/ Date of deposit of Challan	Whether filed within prescribed time	If delay in filing whether requisite additional fees paid (Yes/No)
1.	Form 66	Sec 383 A	For the financial year ended on 31.03.2011	18.10.2011	No	Yes
2.	Annual Return	Sec. 159	AGM held on	02.12.2011	No	Yes
3.	Form 32	Sec 303	Change in Director	01.12.2011	No	Yes
4.	Balance Sheet	Sec. 220(XBRL)	As on 31.03.2011	16.01.2012	No	Yes
5.	Form 32	Sec 303	Change in Director	24.02.2012	Yes	No
6.	Form 32	Sec 303	Change in Director	25.02.2012	Yes	No
7.	Form 25C	Sec 269(2)	Re-appointment of Whole time Director	25.02.2012	Yes	No

Signature :**Place: INDORE****Name of the Company Secretary : ASHISH GARG****Date: 31.08.2012****F.C.S No. 5181, C.P. No. 4423**

Annexure - 3

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS REPORT
(forming part of Director's Report)

- (a) **Industry Structure and Developments**
The Company is engaged in manufacturing and marketing of different types of Pacemakers. There has been growing demand of the products manufactured by your Company.
- (b) **Opportunities and Threats/ Risk and Concerns**
With the growing awareness about the healthcare in the country, there are vast opportunities for the products of the Company. Global economic trends, global competitors, uncertainties about the development of national healthcare system represents threats for the company.
- (c) **Segment wise or product wise performance:**
The Company is engaged in pacemakers manufacturing only and there is no separate repeatable segments.
- (d) **Outlook**
The same has been given in the Directors Report under the heading performance review.
- (e) **Internal Control System and their adequacy**
The Company has proper internal control system which provides adequate safeguards and effective monitoring of the transactions.
- (f) **Human Resources**
Various initiatives have been taken to enhance the skills, knowledge and competency of the employees. The industrial relations were harmonious throughout the year.
- (h) **Cautionary Statement**
Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predications may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could influence the Company's operations include competition, government policies and regulations.

Annexure - 4

CORPORATE GOVERNANCE REPORT 2011-12
(Forming part of the Directors' Report of Shree Pacetronix Limited)

Corporate Governance is a key element in improving efficiency and growth as well as enhancing investor confidence. The importance of Corporate Governance lies in the contribution it makes to the overall growth and direction of the business. Effective corporate governance practices constitute the foundations on which successful commercial enterprises are built to last. These practices are categorized through principle based standards and not just through a framework enforced by regulation. It develops through adoption of ethical practices in all of its dealings with a wide group of stakeholders encompassing regulators, employees, shareholders, customers and vendors.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the Stock Exchange with regard to Corporate Governance and also has taken certain steps to ensure transparency and accountability. Your company shall continue to follow the same with a desire for further development on continuous basis.

As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success.

2. CEO CERTIFICATION/MD CERTIFICATION

In terms of Clause 49 of the Listing Agreement, the certification by the Managing Director on the financial statements and internal controls relating to financial reporting has been obtained.

3. BOARD OF DIRECTORS

The Board of Directors of the company consists of eminent persons with considerable professional expertise and experience of trade, commerce, profession and industry. The present composition is one Managing Director, two directors in the whole time employment of the company and three independent professional directors. The particulars of the Board with their interest in other concern are presented before you in the following table:

Name of the Director	Interested in	Nature of interest
1. Shri A. K. Sethi	Shree Coratomic Limited	Director
2. Smt. Amita Sethi	Shree Coratomic Limited	Director
3. Shri Vikas Gokhale	NIL	NIL
4. Shri Sushil Patni	Angel Tradelinks limited Shree Coratomic Limited	Director
5. Shri Anil Rathi	Magnum Distilleries Limited	Director
6. Shri Praveen Badjatya	Nil	NIL