



Sree Sakthi Paper Mills Limited

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Fifteenth Annual Report 2005-2006



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BOARD OF DIRECTORS

Mr.S.Sivathanu Pillai (Chairman)
 Mr.S.Rajkumar (Managing Director)
 Mr.S.Giridhar
 Mr.A.S.Unni
 Mr.N.Ravindranathan
 Mr.S.Subramoniam
 Mrs.E.Kamalam
 Mr.U.Gururaja Bhat
 Mr.Deveshwer Kumar Kapila (w.e.f 02.02.06)
 Dr.A.R.K.Rao (w.e.f 29.06.06)
 Mr.C.V.Jacob (from 02.02.06 to 29.06.06)

COMPANY SECRETARY

Mr.R.Ponnambalam

AUDITORS

M/s.Balan & Co.
 Ernakulam , Cochin -11

BANKERS

State Bank of India
 Federal Bank Limited

REGISTERED OFFICE

57/2993, "Sree Kailas"
 Paliam Road, Ernakulam, Cochin -16 Kerala
 Tel : 0484 -2373230,2382182
 Fax : 0484- 2370395
 Email : sreesakthi@eth.net
 Web : www.sreekailas.com

FACTORIES

Kraft Paper Unit

Industrial Development Area
 Muppathadom , Edayar, Aluva,
 Ernakulam dist.
 Tel : 0484 -2540622,2555451

Duplex Board Unit

Kanjirapilly, Pariyaram
 Chalakudy , Thrissur Dist.
 Tel : 0480 -2747527,2747529

**NOTICE**

Notice is hereby given that the 15th Annual General Meeting of the Members of Sree Sakthi Paper Mills Limited will be held on Wednesday, 27th September 2006 at 11.00 A.M at Hotel Abad Plaza, M.G.Road, Ernakulam, Cochin- 35, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2006, and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr.S.Sivathanu Pillai, who retires by rotation according to Article 83 of the Articles of Association of the Company and who, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr.S.Subramoniam, who retires by rotation according to Article 83 of the Articles of Association of the Company and who, being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of the meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and in this connection, to consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that M/s. Balan & Co., Chartered Accountants be and are hereby re-appointed as Auditors of the Company to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Board exclusive of travel and other out of pocket expenses that may be incurred by them in conducting the audit".

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

"RESOLVED that Mr.Deveshwer Kumar Kapila, an additional director of the company who holds office upto the date of this meeting in terms of Section 260 of the Companies Act, 1956 and Article 82 of the Articles of Association of the Company, be and is hereby appointed as a director of the Company."

7. To consider and, if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

"RESOLVED that Dr.A.R.K.Rao, an additional director of the company who holds office upto the date of this meeting in terms of Section 260 of the Companies Act, 1956 and Article 82 of the Articles of Association of the Company, be and is hereby appointed as a director of the Company."

By Order of the Board
For Sree Sakthi Paper Mills Limited
sd/-

Place : Cochin -16 R.Ponnambalam
Date : 25.07.2006 (Company Secretary)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 concerning special business is annexed hereto
4. For appointment of Directors, disclosure, as required under Clause 49 of the Listing Agreement is annexed hereto.
5. Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23rd September 2006 to Wednesday,



27th September 2006 (both days inclusive).

6. The dividend when declared will be payable to those members of the Company whose names appear on the Register of Members of the Company on 27th September 2006. In respect of the shares held in dematerialized form, the dividend will be paid on the basis of the beneficial ownership as per details to be furnished for this purpose by the Depositories.
7. For payment of dividend through ECS , (a) Members holding shares in physical form are advised to submit particulars of their bank account viz, Name and address of the branch of the Bank, 9 digit MICR Code of the Branch , type of account and account number latest by 22nd September 2006 to the Company's Registrar and Share Transfer Agents and (b) Members holding shares in demat form are advised to inform their particulars to their respective Depository Participants.
8. There are no unclaimed/unpaid dividend requiring to be transferred to the Investor Education & Protection Fund.
9. As per the directions of SEBI, Company has appointed M/s. Bigshare Services Private Limited, as Registrar and Share Transfer Agents of the Company for carrying out both physical and electronic share transfers. All the Members are requested to forward their share transfers deed(s) and other communications directly to them in the following address;

M/s. Bigshare Services Private Limited,
E/2, Ansa Industrial Estate,
Saki Vihar Road, Sakinaka,
Andheri (E),
Mumbai -400 072 ,
Tel . 022-28470652,
Fax. 022-28475207.
10. Members holding shares in physical form are requested to notify, promptly, any change in their address, to the Registrar and Share Transfer Agents of the Company, M/s Bigshare Services Private Limited, Mumbai, quoting their Membership Number, besides changes, if any, in the Dividend Mandates given by them and those holding shares in Electronic Form, may communicate the above information to their respective Depository Participants.

11. The amended provisions of the Companies Act, 1956, provide for Nomination facility to Members. Members are requested to write to the Registrar and Share Transfer Agents of the Company, M/s Bigshare Services Private Limited, Mumbai, for more information, if any needed, on Nomination facility and / or to get a copy of Nomination Form.
12. Members attending the meeting are requested to bring the attendance slip as well as their copy of the Annual Report. Members holding shares in DEMAT form are requested to incorporate the DP ID Number and Client ID Number in the Attendance Slip / Proxy Form, for easy identification of attendance at the meeting.
13. Members desirous of obtaining any information concerning accounts of the Company are requested to address their questions to the Company, so as to reach at least 7 days before the date of the meeting, to enable the information required to be made available at the meeting.
14. The Company is having agreements with NSDL & CDSL and Bigshare Services Private Limited (for connectivity with NSDL & CDSL) to enable the shareholders to have the option of holding and dealing in the shares of the Company in electronic form.

The ISIN of the equity shares of the Company is INE266H01014.

Members who are holding shares in physical segment are requested to dematerialize the same considering the advantages in eliminating several problems involved in the scrip based systems viz., bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, long settlement cycles, mutilation of share certificates etc.

15. At this Annual General Meeting Mr. S. Sivathanu Pillai and Mr. S. Subramoniam, retire by rotation, and being eligible, offer themselves for reappointment.

Brief notes on the background and the functional expertise of the directors proposed for re-appointment are furnished below, along with the Companies in which they are Directors and the status of the other Board Committees of which they are members:



- i. Mr.S.Sivathanu Pillai, aged 81 years is Retired Joint Secretary, Government of Kerala Government for 30 years from the year 1950 to 1980. After retirement he was in cement business and presently the Chairman of the Company since inception. He is also a Director of M/s.Keragen Technologies Private Limited. He is not a member of Committees of other Companies.
- ii. Mr.S.Subramoniam, aged 49 years, is in cement and Lorry transport business for the last 21 years. He was appointed as Director of the Company in 1995. He is also Managing Director of M/s.Sree Sakthi Constructions and Infrastructure Private Limited. He is not a member of Committees of other Companies.

EXPLANATORY STATEMENT UNDER SECTION -173 (2) OF THE COMPANIES ACT, 1956 AND DETAILS AS REQUIRED UNDER LISTING AGREEMENT

Item No.6

With a view to professionalise and broad base the Board, Mr.Deveshwer Kumar Kapila, aged about 55 years, was co-opted as an additional director of the company by Board at their meeting held on 02-02-2006. In accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 82 of the Articles of Association of the Company, he would hold office till the date of this Annual General Meeting.

Mr. Deveshwer Kumar Kapila is an eminent Chartered Accountant having more than 30 years experience in the field of attestation, audit, accounting and financial management. He was a Central Government Nominee Director in Bank of India from 24.04.2002 to 23.04.2005. At present he is a Shareholders Nominee Director in Allahabad Bank since 2005; BIFR Nominee Director on the Board of the M/s. J.K.Cotton Spg & Wvg.Mills Company Limited, Kanpur; M/s.Budge Budge Company Limited, Kolkatta; M/s.Nepa Limited, Nepanagar and an Independent Director in K.M.Sugar Mills Limited, U.P.He is also associated with various study groups of the Institute of Chartered Accountants of India. He is a Honorary Treasurer of Indian Institute of Public Administration (IIPA) Delhi Regional Branch for last ten years.

Having regard to his vast experience in accounting, audit and financial management, it has been considered desirable that Company should avail itself of his service. Hence this

resolution is proposed for your approval.

None of the Directors except Mr.Deveshwer Kumar Kapila is in any way concerned or interested in this resolution.

Item No.7

With a view to professionalize and broad base the Board, Dr.A.R.K.Rao was co-opted as an additional director of the company by Board at their meeting held on 29-06-2006. In accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 82 of the Articles of Association of the Company, he would hold office till the date of this Annual General Meeting.

He has completed his Bachelor of Technology from Osmania University, Hyderabad in 1963 and Masters of Engineering from Indian Institute of Science, Bangalore in 1965 and Ph.D in Chemical Engineering from University of Ottawawa, Canada in 1970. He had been the Chairman of "Paper and its products (excluding packaging materials)", sectional committee of Bureau of Indian Standards of Government of India from 1991 to 2001 and during these period he had also functioned as Chairman of Hindustan Newsprint Limited, Kerala and The Mandya National Paper Mills Limited, Karnataka. He had been the Director (Operations) of The Mysore Paper Mills Limited during 1993 to 1996. He had also functioned in various key posts in Seshasayee Paper and Boards Limited during the year 1981 to 1993. As part of professional activities, he was the President of Indian Pulp and Paper Technical Association for the years 1998 and 1999 and was the Vice- Chairman for the years 1996 and 1997 and also he was the President of Indian Newsprint Manufacturers Association for the years 1998 and 1999.

At present was not holding any Directorship / Board Committee Membership in any other Companies.

Having regard to vast experience in paper industry, it has been considered desirable that Company should avail itself of his service. Hence this resolution is proposed for your approval.

None of the Directors except Dr.A.R.K.Rao is in any way concerned or interested in this resolution.

By Order of the Board
For Sree Sakthi Paper Mills Limited

sd/-

R.Ponnambalam
(Company Secretary)

Place: Cochin -11

Date : 25.07.2006



DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS

YOUR Directors have pleasure in presenting the 15th Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March 2006.

1. INDUSTRIAL OVERVIEW

Demand for packaging paper in India has been steadily increasing and the paper industry has recorded a volume growth of CAGR of 5.47% over the last 3 years. The demand for the paper is linked to GDP growth and the government is planning to target a GDP growth of 10% in 2-3 years. With this increase in GDP growth the paper sector is expected to record a similar growth rate.

Demand for paper is influenced by various macro economic factors. Domestic demand for paper is expected to grow at a CAGR of 6 % to 7%.

The Company's production of enhanced capacity that has come on line during the last quarter of 2004-05 and the proposed increased capacity during the last quarter of current financial year 2006-07 will be contributing to meet this additional demand.

2. REVIEW OF OPERATIONS 2005-2006

Company's gross turnover for the year ended March 31, 2006 increased to Rs.6391 lacs from Rs.4964 lacs in the previous year, registering a growth of 28.75 %

During the year under review, your Company has achieved higher production of 38063 MT as compared to 30848 MT during the previous year. The Company sold 38039 MT during the year as against 30639 MT in previous year. There was Rs.15.99 lacs export sales during the year under review.

During the year, capital expenditure amounted to Rs. 203.30 lacs were incurred and the capital expenditure was met from internal accruals of the Company. All the repayment and interest commitments were met as per terms of arrangement with Institutions and Banks.

The company's operating profit (PBDT) improved during year on account of higher volumes and selling price. Continued focus on costs, productivity and efficiency and the impact of modernisation and expansion during the last year has also resulted in earning increased profits.

3. FINANCIAL PERFORMANCE

(Rs.in lacs)

Particulars	For the year ended 31.03.2006	For the year ended 31.03.2005
Sales (Net)	5709.61	4434.86
Operating Profit	593.53	438.15
Interest and Finance charges	218.47	136.14
Depreciation	137.53	114.19
Profit before tax	237.53	187.82
Provision for tax	66.80	84.97
Profit after tax	170.73	102.85
Balance of profit brought forward	0.16	0.21
Amount available for appropriation	170.89	103.06
Appropriation		
General Reserve	8.38	80.00
Proposed dividend & tax on dividend	93.71	22.90
Retained profit carried to Balance sheet	68.80	0.16

4. OPPORTUNITIES / THREATS / RISKS / CONCERN

Your Company has a strong brand name powered by quality of its product and strong manufacturing base. The major external factors that can have significant bearing on your company's performance are;

1. Raw material shortage
2. Import Tariff. As per the WTO agreement import tariff barriers continues to be scaled down and imports of higher quality packaging grades of paper and paper board are soon expected to influence competition dynamics in Indian market
3. Fluctuation in selling price
4. Enhanced paper/paper board supply in the market

The 60% of raw materials required is procured by the Company locally and the company already has good arrangements with major suppliers of raw materials for uninterrupted supply of raw materials.

Your company has already established an International Business Division to explore the foreign market and the present order position and enquiry from the market is quite encouraging.



5. CURRENT PROSPECTS

The year 2005-2006 was a land mark year in the history of Sree Sakthi Paper Mills Limited. It marked a new strategic decision for bringing new financial partners through the process of Issue of Equity Shares to the Public at Rs 30 per share including a Premium of Rs. 20 per share to the tune of Rs.2500 lacs and the Listing of shares of the Company at Bombay Stock Exchange Limited. The successful completion of IPO exercise in the Capital Market has demonstrated Sree Sakthi Paper Mills Limited's ability to seed expansion of the business and gain leadership in its line of business and thereby create value for the shareholders.

The public issue of shares was made inter alia to finance the Expansion of Kraft Paper Unit at Edayar from 70 TPD to 170 TPD and to set up a 2MW cogeneration power plant at Edayar, Kerala. The details of the cost of project and means of finance estimated were as follows;

(Rs.in Lacs)

I. Cost of the Project	
Expansion of Kraft Paper Unit	1200
Co-generation Plant	700
Additional Working Capital Requirement	250
Repayment of High cost term loans	400
Issue Expenses	105
Total	2655
II. Means of Finance	
Public Issue	2500
Internal Accruals	155
Total	2655

However, the cost of the project for the Kraft Paper Unit had to be revised due to the higher machine size chosen after assessing market requirement of the prevalent demand for the kraft paper size and keeping in view for gradually increasing the production capacity. The revised project cost for the Kraft Paper Unit is as under;

(Rs.in Lacs)

Sl. No.	Particulars	Originally Envisaged	Revised
1.	Factory Building	114	250
2.	Plant & Machinery	588	923
3.	Electrical & Other related equipments	150	300
4.	Mechanical & Other related equipments	114	150
5.	Effluent Treatment Plant	60	75
6.	Transportation & Erection	100	100
7.	Contingencies	74	50
	Total	1200	1848

The Company has submitted the application for term loan to IDBI Bank Limited for Rs.700 lacs to meet the increased cost of Project. The implementation of the Kraft Liner Factory as per the Prospectus Issue at Edayar is proceeding as per schedule and expected to commission by the end of December 2006.

As of now, Cogeneration Plant Project is being deferred in view of steep escalation in prices of inputs like saw dust and paddy husk and consequent impact on cost of generation.

The Company's performance so far in the current year is satisfactory. The near rated output of the expanded capacity on account of modernization carried out at both the plants during the year 2004-2005 has been established in terms of both quantity and quality. With the expected increased production from the last quarter of 2006-07 as mentioned above, barring unforeseen circumstances, Company expects to achieve very good results for the current year.

6. INDUSTRIAL RELATIONS

The Company's Industrial relations remained smooth and cordial at all locations.

7. INTERNAL CONTROL SYSTEM

Your Company has adequate internal control and internal check system commensurate with size of the organization.

8. DIVIDEND

The Directors have recommended a dividend of 5 % i.e. Re. 0.50 ps per share for the financial year ended 31.03.2006. In accordance with the provisions of the Finance Act, 2003 no tax will be deducted at source on the dividend but your Company will absorb Rs.11.53 lacs towards tax on distributed profits.

9. BOARD OF DIRECTORS

In accordance with Article 83 of the Articles of Association of the Company, Sri S. Sivathanu Pillai, and Sri. S. Subramoniam, directors of the Company retire on rotation, and they being eligible offer themselves for re-appointment.

Sri C.V. Jacob was appointed as Additional Director at the meeting of Board of Directors of the Company held on 02.02.2006 and ceased to be Director w.e.f 29.06.2006 upon resignation.

Sri. Deveshwer Kumar Kapila was appointed as an Additional Director at the meeting of Board of Directors of the Company held on 02.02.2006. In accordance with the provisions of Companies Act, 1956 he would hold office of Director up to the date of ensuing Annual



General meeting. The Company has received a notice in writing from a member proposing the candidature of Sri. Deveshwer Kumar Kapila for the office of Director liable to retire by rotation along with a deposit of Rs. 500/- as required under the Companies Act, 1956.

Dr. A.R.K. Rao was appointed as an Additional Director at the meeting of Board of Directors of the Company held on 29.06.2006. In accordance with the provisions of Companies Act, 1956 he would hold office of Director upto the date of ensuing Annual General meeting. The Company has received a notice in writing from a member of the Company proposing the candidature of Dr. A.R.K. Rao for the office of Director liable to retire by rotation along with a deposit of Rs. 500/- as required under the Companies Act, 1956.

10. AUDITORS

M/s Balan & Co. Chartered Accountants, the present Auditors of the Company retire and are eligible for re-appointment and the proposal has been placed before you. Necessary certificate has been obtained from the Auditors as per section 224(1) of the Companies Act, 1956.

11. FOREIGN EXCHANGE EARNINGS AND OUT-GO

During the year under review Company had exports Rs 15.99 Lacs. The total outgo was for purchase of raw materials Rs. 843.88 Lacs and Interest on FCNRB loan Rs. 70.43 Lacs.

12. PARTICULARS UNDER SECTION 217

Conservation of Energy, Technology Absorption

Statement of particulars under section 217(1)(e) of the Companies Act, 1956 is annexed.

Particulars of Employees

Statement of particulars under section 217(2A) of the Companies Act, 1956 is annexed.

13. CORPORATE GOVERNANCE

The Company's Equity Shares are listed with Bombay Stock Exchange. The Company has since implemented all the mandatory provisions of Clause 49 of the Listing Agreement relating to the Corporate Governance. The Annual Report contains a separate section on the same. As required under the said provisions, the Company has obtained Certificate from the Auditors of the Company which is annexed to and forms part of the Annual Report.

14. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 Directors report that

1. In the preparation of the annual accounts for the

financial year ended 31st March 2006 the applicable accounting standards had been followed along with proper explanation relating to material departures.

2. The directors had selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year under review.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The directors had prepared the Annual Accounts for the financial year ended 31st March 2006 on a 'going concern' basis.

15. ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the State and Central Governments, Kerala State Industrial Development Corporation Ltd., State Bank of India, Syndicate Bank, Federal Bank Ltd, Kerala State Electricity Board, customers, suppliers, dealers/Agents and shareholders including SBI Capital Markets Ltd.

The Directors in particular gratefully acknowledge the guidance, support and assistance given by the Lead managers to the Public issue viz, M/s Keynote Corporate Services Ltd Mumbai, and Registrar to the Issue viz, Bigshare Services Private Ltd, Mumbai-72, Bankers to the Issue viz, HDFC Bank, Canara Bank and UTI Bank in making the issue of shares to public by the Company a big success.

Your Company has a well knit management team at all levels with good team work. Your Directors would like to record their deep appreciation for the contributions made by all the employees at all levels.

By and on behalf of the Board of Directors

Sd/-

**S. Sivathanu Pillai
CHAIRMAN**

Place : Cochin -16
Date : 25.07.2006



ANNEXURE TO THE DIRECTORS' REPORT

FORM 'A'

(See Rule - 2)

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Current year
31.03.06

Previous Year
31.03.05

A Power and Fuel consumption

1 Electricity		
a. Purchased		
Unit	15751760	14714710
Total Amount	60590104	57092750
Rate/Unit	3.85	3.88
b. Own Generation		
(i) Through Diesel Generator		
Unit	867542	588787
Unit per Ltr.of diesel oil	3.30	3.27
Cost/Unit	9.60	8.09
(ii) Through steam turbine/generator	—	—
2 Coal	—	—
3 Furnace Oil	—	—
4 Others/Internal generation	—	—

B. Consumption per unit of production.

Electricity (kwh)	437	496
Furnace Oil	—	—
Coal	—	—
Others	—	—

FORM 'B'

(See Rule - 2)

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

A RESEARCH AND DEVELOPMENT (R & D)

- | | |
|--|---|
| <p>1. Specific Areas in which (R & D) carried out by the Company</p> <p>2. Benefit derived as a result of the above R & D</p> <p>3. Future plan of action</p> <p>4. Expenditure on R & D</p> | <p>: Several special application have been developed and successfully introduced during the year to cater customer specific requirements</p> <p>: Nil</p> <p>: The company would undertake appropriate R & D activities depending upon future requirements</p> <p>: N. A.</p> |
|--|---|
- B Technology absorption, adaption innovation
- : The process of improvement is a continuous one and the Company is experimenting with use of new raw materials, fuels etc. to improve productivity further.
- Particulars of imported technology
- : No Technology has been imported.

Information as per Section 217 (2A) (b)(ii) read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March 2006

Name	Age	Designation	Date of commencement of employment	Remuneration received / receivable	Qualification	Total Experience (Years)	Particulars of Previous Experience
S.Rajkumar	48	Managing Director	03.10.1991	23.08 lacs (Part of the year)	M.Com	25	Finance Executive in Poysha during the years 1981-82 and Started his own Carton Unit during the year 1983.



REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance Philosophy

The Management believes that corporate growth, goals, transparency and enhanced stakeholder value are to be achieved only through good Corporate Governance.

2. Board of Directors

The Board of Directors of the Company is comprised of;

Sl. No.	Name	Designation	Executive/ Non Executive Director	Promoter/ Independent Director	No. of other Companies in which he is a Director	Committee in which he is a Member/ Chairman
1.	Mr.S.Sivathanu Pillai	Chairman	Non Executive	Non Independent	1	3/ 1
2.	Mr.S.Rajkumar	Managing Director	Executive	Promoter	4	3/Nil
3.	Mr.S.Giridhar	Director	Non Executive	Non Independent	2	2/Nil
4.	Mr.A.S.Unni	Director	Non Executive	Independent	Nil	4/2
5.	Mr.N.Ravindranathan	Director	Non Executive	Independent	3	3/Nil
6.	Mr.S.Subramoniam	Director	Non Executive	Non Independent	1	Nil/Nil
7.	Mrs.E.Kamalam	Director	Non Executive	Non Independent	1	Nil/Nil
8.	Mr.U.Gururaja Bhat	Director	Non Executive	Independent	2	1/Nil
9.	Mr.Deveshwer Kumar Kapila*	Director	Non Executive	Independent	5	1/Nil
10.	Dr.A.R.K.Rao**	Director	Non Executive	Independent	Nil	Nil / Nil
11.	Mr.C.V.Jacob***	Director	Non Executive	Independent	-	-

* Appointed as an additional director on the Board with effect from 02.02.2006

** Appointed as an additional director on the Board with effect from 29.06.2006

**** Appointed as an additional director on the Board with effect from 02.02.2006 and ceased to be a director from 29.06.2006

3. Board Meetings and Annual General Meeting – Directors Attendance:

During the year 2005-2006, nine Board Meetings were held on 14th May 05, 5th Aug 05, 29th Aug 05, 23rd Sep 05, 30th Nov 05, 14th Dec 05, 6th Jan 06, 2nd Feb 06 and 27th Mar 06. The Annual General Meeting was held on 29th Aug 05. Attendance of each director, at the Board Meetings held during the year 2005-2006 and at the last Annual General Meeting

Sl. No.	Name	Board Meetings		Last Annual General Meetings Attended
		Held	Attended	
1.	Mr.S.Sivathanu Pillai	9	9	Yes
2.	Mr.S.Rajkumar	9	9	Yes
3.	Mr.S.Giridhar	9	7	Yes
4.	Mr.A.S.Unni	9	9	Yes
5.	Mr.N.Ravindranathan	9	6	Yes
6.	Mr.S.Subramoniam	9	7	Yes
7.	Mrs.E.Kamalam	9	9	Yes
8.	Mr.U.Gururaja Bhat	9	2	Yes
9.	Mr.Deveshwer Kumar Kapila*	9	-	No
10.	Dr.A.R.K.Rao**	9	-	No
11.	Mr.C.V.Jacob***	9	-	No